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OUTLINES OF INDUSTRIAL AND SOCIAL ECONOMICS

BY

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LONDON MEDALIST FOR CITIZENSHIP, LECTURER IN PUBLIC ADMINISTRATION, LOCAL GOVERNMENT AND CITIZENSHIP FOR THE LIVERPOOL EDUCATION AUTHORITIES, LECTURER TO THE WORKMEN'S EDUCATIONAL ASSOCIATION AND CO-OPERATIVE UNION, TUTOR TO THE UNIVERSITY EXTENSION BOARD AND RUSKIN COLLEGE, OXFORD

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TO
THE MEMORY OF
THE CHRISTIAN SOCIALISTS
FREDERICK DENISON MAURICE
CHARLES KINGSLEY
THOMAS HUGHES
JOHN MALCOLM LUTHER
EDWARD VANSITTART NEALE
WHOSE
IDEALS, COURAGE, AND FAITH
MADE POSSIBLE THE SUCCESS
OF THE
BRITISH ASSOCIATIONS OF WORKING MEN
WHICH ARE DESCRIBED IN THE
FOLLOWING PAGES

AUTHORS' NOTE

FOR more than seventeen years the Liverpool Education Committee have provided at their Evening Continuation Schools courses in Citizenship. The syllabus covers a course of three years. In the previously published *Outlines of Local Government* and *Outlines of Central Government*, two of the three years are provided for, and the pages which follow are intended to complete the cycle. They have been prepared in collaboration by the teacher who first undertook the course, and by the teacher who has continued the work.

While no attempt has been made to deal with temporary war legislation, it is hoped that the new legislation introduced into the work has been dealt with in sufficient detail for the student.

The treatment of the subject is based upon the experience of both writers in the class-room. After a general introduction, an attempt has been made to follow the development of the home of the average citizen, to point out the various benefits which may result from a clear understanding of rights, and the great happiness which is the privilege of those who loyally discharge their duties.

It will readily be understood that the preparation of this work from notes used in the class-room has necessitated very frequent reference to the works of many writers, impossible to detail, some of which are mentioned in the Bibliography. Our thanks are due to Professor F. Hall, M.A., Adviser of Studies to the Co-operative Union, Limited, who has revised Chapters XX and XXI.

It can scarcely be hoped that so extensive a course has been dealt with without errors and omissions, and suggestions for the correction of which will be appreciated. It is hoped that the work will meet the requirements of the students of the course to be prepared in connection with the new Day Continuation Schools, of the wider studies of the University Schools of Social Studies, the Tutorial Classes for Workpeople, and be of service to the citizen in his home studies.

JOHN J. CLARKE.

JAMES E. PRATT.

Liverpool,
October, 1919.

CONTENTS

Authors' Note	PAGE iv
-------------------------	------------

SECTION I

INTRODUCTORY

I. Historical Review—The Industrial Revolution and its results—Men and Movements; Bentham, Robert Owen, Francis Place, Lord Shaftesbury, Carlyle, Ruskin, Morris, The Christian Socialists—The Chartist Movement	9
II. The State in relation to Social and Industrial Legislation—Principles of State Intervention—Government Departments—Industrial and Social Reconstruction	13

SECTION II

THE STATE AND THE HOME

III. Housing—Landlord and Tenant—Rent Restriction Acts—Nuisances—Inspection—Cleansing—Water—Cheap Trains—Small Holdings and Allotments—Rates	17
IV. The Home—Registration of Births, Marriages and Deaths—Notification of Infectious Diseases—Income Tax Act (Abatement for Wife and Children)—National Health Insurance	21

SECTION III

THE STATE AND THE CHILD

V. Notification of Births—Vaccination—Children Act, 1908—Definition of "Child"—Infant Life Protection—Prevention of Cruelty to Children and Young Persons—Juvenile Smoking	26
VI. Education up to the age of 14—Education Acts, 1870 to 1902—Administrative Provisions Acts, 1907, etc.—Mental Deficiency Act, 1913—Defective and Epileptic Children Act, 1914—Medical Treatment Act, 1909—Provision of Meals Acts, 1906 and 1914—Choice of Employment Act, 1910	27
VII. Education Act, 1918	30

SECTION IV

THE STATE AND THE ADOLESCENT

	PAGE
VIII. After-care Committees—Juvenile Employment Committees—Choice of Employment Act, 1910	35
IX. Technical Education—Education from age of 14—Continuation Schools—Technical, Commercial, and Higher Education—Adult Education: Y.M.C.A.; Adult Schools; The Working Men's College; National Home Reading Union; Workers' Educational Association; Free Libraries; Central Library for Students; Ruskin College—Recreation: Co-operative Holidays Association; The Holiday Fellowship; Polytechnic Tours; Summer Schools; Week-end Schools	35

SECTION V

THE STATE AND LABOUR

X. Factory Legislation: Historical; Definitions; Principal Provisions; Factory Inspectors—Coal Mines Regulation Act	42
XI. Trade Unions—Constitution and Rules—Trades and Labour Councils—Amalgamations and Federations—Craft and Industrial Unionism—Guild Socialism—Syndicalism	46
XII. Industrial Disputes—Arbitration and Conciliation—Whitley Committees—National Industrial Council	53
XIII. Co-partnership—Welfare Work	57
XIV. Trade Boards Acts—Truck Acts—Employers' Liability—Workmen's Compensation	62
XV. Unemployment: (a) Unemployed Workmen Act, 1905; (b) Employment Exchanges; (c) Unemployment Insurance	68

SECTION VI

THE STATE AND INDUSTRY

XVI. Mercantile Law—Weights and Measures—Coinage—Measurement and Registry of Shipping	74
XVII. Monopolies—Patents—Copyright—Trade Marks—Trade Names—Electrical Development—Nationalization	75
XVIII. Joint Stock Companies—Banking and Exchange—Trusts—British Trade Corporation—British Dyestuffs Corporation, Limited	77

SECTION VII

INSTITUTIONS FOR THRIFT

	PAGE
XIX. Voluntary Associations of Working Men—Friendly Societies: Origin, Constitution, and Rules; Friendly Societies Acts, 1896 and 1908; Definition; Types of Society; Collecting Societies; The Post Office and Industrial Assurance	82
XX. Industrial and Provident Societies—The Co-operative Movement—Classes of Societies—The Co-operative Wholesale Societies—Co-operative Banking and Insurance	86
XXI. The Co-operative Union—Co-operative Guilds—International Co-operative Alliance—Co-operative Parliamentary Representation—The Co-operative College—Agricultural Co-operation—Industrial and Provident Societies Acts	89
XXII. Building Societies: Definition; Types of Society; Principle of Building Societies; Building Societies Acts—Co-partnership Housing	92
XXIII. Savings Banks—Trustee Savings Banks—Post Office—National Savings Committees	94

SECTION VIII

CONCLUSION

XXIV. Causes of Poverty—The Poor Law—Principles and Methods of Relief—Proposals for Reform—The Standard of Living—Old-Age Pensions—Public Opinion—Duties of Citizenship	99
BIBLIOGRAPHY.	107

OUTLINES OF INDUSTRIAL AND SOCIAL ECONOMICS

SECTION I INTRODUCTORY

I HISTORICAL

1. IN EARLY DAYS the necessity for the exercise of the duties of Citizenship was not so apparent as it is to-day. Men and women, families and tribes, villages and towns were in nearly all instances dependent upon the feudal lord for protection and support as well as for maintenance in old age.

2. THE ABOLITION OF THE FEUDAL SYSTEM resulted in the creation of the yeoman farmer and craftsman on the one hand and the vagrant and dependent person on the other. The two latter classes were looked after by the various philanthropic organizations and the monastic institutions, which also provided religious and educational facilities.

3. THE ABOLITION OF THE MONASTERIES by Henry VIII not only destroyed these facilities but necessitated the establishment of a Poor Law system to provide for those "impotent to serve" whom the monasteries had previously sheltered.

4. THE ENCLOSURE OF THE COMMON LANDS, whilst considerably improving agriculture, deprived many of the poor of agricultural benefits, while the operation of the Law of Settlement resulted in many landowners either actually destroying houses, hamlets, and villages or otherwise preventing many of the peasantry from settling upon the land. Other results were the decay of the yeoman, the rise of the middleman and farmer, and the accumulation of great landed estates.

5. THE INDUSTRIAL REVOLUTION was the turning point in the changed social and economic conditions of the country. The conclusion of the Seven Years' War, 1763, gave us Canada,

India, Florida, and the country east of the Mississippi. Spain lost power through France. Germany was ravaged by Austria and Prussia. Holland was torn by internal dissensions. Sweden, Norway, and Italy were unimportant, but Russia was coming to the front. The principal features of the movement were—

- 1760. Smeaton's Blowing Apparatus, at Carron, Falkirk.
- 1769. James Watt patented his Steam Engine.
- 1770. James Hargreaves, a weaver near Blackburn, patented his "Spinning Jenny."
- 1771. Arkwright, at Cromford, on the Derwent, employed his "Water Frame" spinning machine.
- 1779. Both were superseded by Samuel Crompton's "Mule," which combined the principles of Hargreaves' and Arkwright's inventions.
- 1785. Dr. Cartwright, a Kentish parson, patented the "Power Loom" for weaving. This did away with the hand weaver. In the same year the steam engine was first used in factories.

6. CHARACTERISTICS OF THE SYSTEM PRODUCED BY THE INDUSTRIAL REVOLUTION.

(1) *The Commanding Place of Capital.*—

"The power which used to follow land has gone over to money." Rise of two great new classes—capitalist manufacturers and operatives.

(2) *The Part Played by Machinery.*—

"Machinery does nine-tenths of the labour." Disappearance of domestic manufacture and rise of the factory system.

(3) *Greater sub-division of Labour with advantages of—*

(a) Shortened apprenticeship.

(b) Increased dexterity.

(c) Saving of time in processes.

(d) Specialized operation and encouragement of inventions.

(4) *Loss of Personal and Friendly Relationship between employer and employed.* Workpeople known as "hands."

(5) *It is Individualistic and Competitive.*—

"Every man for himself." Resulting in the establishment by the workers of Trade Unions, Friendly Societies, Co-operative Societies, and kindred organizations.

(6) *Antagonism between Capital and Labour, resulting in—*

(a) Strikes.

(b) Lock-outs.

(c) Development of Trade Unions.

(7) *Position of the Worker is Precarious.*—

Accidents necessitated the regulation of industry by the passing of Factory and Mining Legislation.

(8) *Disintegration of the home.*—

(a) Work at an early age.

(b) Women labour, including married women with children.

(9) *Localization of Industries.*—

(a) The North becomes more important than the South.

(b) Rise of great cities with their problems.

7. THE DOCTRINE OF FREE TRADE AND LAISSER FAIRE.

(1) *The Decline of the Mercantile Theory*, with the exaltation of the precious metals and foreign trade, was followed by(2) *The Physiocrats* who advocated freedom in the doctrine of *laissez faire*. The publication of *The Wealth of Nations*, by Adam Smith, in 1776, consolidated the economic truths and laid the foundations of the science of economics.(3) *The Utilitarians* were inspired by Jeremy Bentham. Their influence upon the social reforms is shown in the Model Clauses Acts, e.g., The Towns Improvement Clauses Act, the Land Clauses Consolidation Act.(4) *The Advance of Applied Science* created a spirit of materialism, which had its reaction in(5) *The Growth of Philanthropy* inspiring the work of, among others—*Robert Owen*, who at New Lanark gave practical proof of the benefits of improved factory conditions.*Francis Place*, who directed the movement for the removal of the Combination Laws.*Thomas Carlyle*, *John Ruskin*, and *William Morris*, who stand out among the Victorian writers by reason of their influence upon social reform.*Lord Shaftesbury*, who, in addition to his work for the children, had much to do with factory, mines, and housing legislation. These all inspired the work and writings of the*Christian Socialists*, a band of men who, under the leadership of *Frederick Denison Maurice*, included*Charles Kingsley*, "Church Parson and Chartist," poet, novelist, professor, and scientist, the author of *Yeast*, *Alton Locke*, and *Westward Ho!*; *John Malcolm Ludlow*, afterwards Registrar of Friendly Societies; *Thomas Hughes*, the County Court Judge, author of *Tom Brown's Schooldays* and draftsman of the earlier Trade Union Acts; and *Edward Vansittart Neale*, who was for many years the unpaid legal adviser and inspirer of the work of the Co-operative Union.

These men encouraged the working class movements of the nineteenth century, guiding the workers in constitutional channels,

giving them legal advice, and support in and out of Parliament. In this respect the development of the British institutions for working men differs from those of the Continent where, generally speaking, the institutions have been organized by the State.

8. CHARTISM was a movement, between 1837 and 1848, to obtain political power for the working classes. The Reform Act of 1832, which promised so much, had proved a great disappointment to the masses of the people, and bad harvests and acute commercial depression had created great social unrest. Many were actually starving, the position being thus graphically described in the petition of 1839 for the Charter: "The home of the artificer is desolate, and the warehouse of the pawnbroker is full. The workhouse is crowded, and the manufactory is deserted." Trade Unionism, lacking experience, organization, and funds, had for the time being failed, and the Chartists regarded the democratization of Parliament as a panacea.

The "People's Charter," drawn up in 1838 by Francis Place and his Radical associates of the newly-formed "Working Men's Association," was a purely political programme. None of its "six points" were new, having been advocated by Major Cartwright in 1776, and supported by Charles James Fox in 1780. They were—

- (1) Universal (manhood) suffrage.
- (2) Annual Parliaments.
- (3) Vote by ballot.
- (4) Abolition of the property qualification for Members of the House of Commons.
- (5) Payment of Members.
- (6) Equal electoral districts.

Place and his friends hoped for a strictly constitutional agitation, which should enlist the support of all classes. The principal centres of activity were London, Birmingham, and Northumberland and Durham, but meetings were held all over the Kingdom. What was known as the "Birmingham Plan" included the preparation and presentation to Parliament of a National Petition for Reform, and in the event of Parliament refusing to concede the Charter, the proclamation of a general strike. The petition, bearing 1,280,000 signatures, was presented in 1839, when the House, by 237 votes to 48, refused to consider it. Meanwhile, alongside the "Moral Force Chartists" there had been growing up a section of "Physical Force Chartists," and at a self-styled "National Convention" which met in London, the majority of the delegates favoured violent methods. The general strike proposal, passed by the Convention, was ultimately abandoned

through the personal exertions of O'Brien, one of the most far-seeing of the Chartist leaders, but its abandonment led to the dissolution of the Convention. Serious riots occurred in Birmingham, Newport (Mon.), and in other places. During the winter of 1839-40 many of the Chartist leaders were arrested and imprisoned for varying periods up to two years.

In 1840 there was established at Manchester the "National Charter Association of Great Britain." An attempt made to bring into effect a general strike was unsuccessful. Feargus O'Connor, now the leader of the movement, whilst condemning the Corn Laws, violently opposed the Anti-Corn Law Association, and with the increasing success of the latter, many working-men left the Chartists to join it.

The French Revolution of February, 1848, gave a great impetus to Chartism in England. A new petition was prepared, and a demonstration arranged at Kennington Common, whence it was proposed that Feargus O'Connor should lead half a million men to Westminster to present the petition. The procession was declared to be illegal, and some 200,000 special constables were enrolled. Only some 30,000 Chartists assembled, whose leaders were not prepared to risk conflict with the authorities, so the procession was abandoned. O'Connor presented the petition, which he asserted bore 5,700,000 signatures. On examination, however, it was found that the total number was 1,975,469, many obviously fictitious, whole sheets being in the same handwriting.

The Chartist movement did not long survive this fiasco. The repeal of the Corn Laws in 1846 had improved the economic situation, and a period of industrial and Colonial expansion had set in. With the consequent alleviation of distress, the task of the political agitator became more difficult. Moreover, the attention of the working classes was being diverted to the growth and success of the Co-operative movement, which, together with Trade Unionism, has since done so much to improve their position.

II

THE STATE IN RELATION TO INDUSTRIAL AND SOCIAL LEGISLATION

1. THE RELATIONS which exist between the agents of production are regulated by State action. Thus, there are—

(1) Land Clauses Acts and Conveyancing Acts to regulate the tenure of land and to facilitate its transfer.

(2) Factory and Workshops Acts, Mines Regulations Acts, Truck Acts, to regulate the employment of labour.

(3) Industrial and Provident Societies Acts, Building Societies Acts, etc., to safeguard the interests of individuals.

2. PRINCIPLES OF STATE INTERVENTION in regard to industrial and social legislation—

(1) The individual is unable to safeguard his own actions to the same extent as the State.

(2) There should be a certain minimum of leisure both for recuperation and for relaxation.

(3) Individuals and voluntary associations of individuals should be encouraged to undertake social work, even if done less efficiently than by the State, to enable them to develop their characters, *e.g.*, Friendly Societies, Trade Unions and the Co-operative Movement, besides fostering thrift, afford valuable training for their members in the conduct of affairs and the management of men.

(4) Such action should be protected by means of legislation which should—

(a) Ensure security to individuals, to members collectively, and to society generally.

(b) Prevent fraud by requiring registration, statistical returns, and quinquennial valuations.

(5) Such control is best exercised by means of Government Departments, the principal of which are as follows—

(a) THE PRIVY COUNCIL is a body of nominated persons whose names are approved by the sovereign. The Council has played a most important part in the administrative development of industrial and social legislation. Several of the Government Departments originated as Committees of the Privy Council. Orders in Council make provision for bringing into operation many new statutes. In 1915 there was established a Committee for the Organization and Development of Scientific and Industrial Research.

(b) MINISTRY OF HEALTH. The object of the Ministry of Health Act, 1918, is to consolidate in one department, and under one Minister—

(i) All the powers and duties of the Local Government Board.

(ii) All the powers and duties of the Insurance Commissioners and the Welsh Insurance Commissioners.

(iii) All the powers of the Board of Education with respect to attending to the health of expectant mothers and nursing mothers, and of children who have not attained the age of 5 years and are not in attendance at schools recognized by the Board of Education; the medical inspection and treatment of children and young persons.

(iv) All the powers of the Privy Council and the Lord President of the Council under the Midwives Acts, 1902 and 1918.

(v) Such powers of supervising the administration of Part I of the Children Act, 1908 (which relates to infant life protection), as have heretofore been exercised by the Secretary of State.

The Act also contains powers to bring, at a later date, under the control of the new department, the care of sick soldiers (now possessed by the Ministry of Pensions), and the control of lunacy. An important feature of the Ministry is the establishment of Consultative Councils, of which four have been constituted.

(c) MINISTRY OF TRANSPORT was created by the Act of 1919 for the purpose of improving the means of and the facilities for locomotion and transport. For this purpose there shall be transferred to the Minister all powers and duties of any Government Department in relation to railways; light railways; tramways, canals, waterways, and inland navigation; roads, bridges and ferries, and vehicles and traffic thereon; harbours, docks and piers. There shall be attached to the Ministry a separate department charged with dealing with road construction, improvement, maintenance and development.

(d) BOARD OF EDUCATION was established in its present form in 1899. It is responsible for elementary, secondary, technological, higher and university education, and educational trusts. (*See Ministry of Health.*)

(e) BOARD OF TRADE is the oldest of the Committees of the Privy Council. It was first established in 1622. Present Department owes its origin to an Order in Council of 1786. It has been reconstituted from time to time, and in 1918 was divided into two main divisions, viz.—

(i) Department of Commerce and Industry, divided into sections, dealing with Commercial relations and treaties; Overseas trade; Industries and manufactures; Industrial property; Industrial power and transport; Statistics.

(ii) Department of Public Services Administration, engaged primarily in the work previously performed by the Marine, Railway, Harbour, Companies and Bankruptcy Departments.

(f) BOARD OF AGRICULTURE AND FISHERIES was established in its present form in 1889 and its powers extended in 1903. The work of the Board is divided into five divisions, viz., Animals Division; Fisheries Division; Intelligence Division; Land Division, including Small Holdings and Allotments; Statistical, Tithe and Establishment Division.

(g) HOME OFFICE was created in 1782. The Home Secretary's duties include—

(a) Preservation of the King's Peace through magistrates and police.

(b) Relations with other subjects in approval of by-laws, other than those relating to nuisances, certificates of naturalization, prevention of cruelty to children and animals.

(c) Inspection of institutions, including prisons, reformatory and industrial schools.

(d) Protection of citizens, by administering Factories and Workshops Acts and Mines Regulation Acts.

(h) POST OFFICE, besides its ordinary business, collects certain local taxation licences for the County and County Borough Councils, and sells National Insurance Stamps on behalf of the Ministry of Health and the Ministry of Labour, as well as National Savings Stamps and Certificates. It also pays Old Age Pensions, Army, Navy and Air Force Separation Allowances and Pensions.

(i) CHARITY COMMISSIONERS. Established in 1874 "for the better administration of Charitable Trusts in England and Wales." In 1879 the powers previously exercised by the Endowed Schools Commissioners were permanently transferred. By Orders in Council the powers of the Commissioners over all endowments for purely educational purposes were transferred in 1899 to the Board of Education. Their work has been brought into close relations with the local authorities and thrift organizations under the War Charities Act, 1916.

(j) THE REGISTRY OF FRIENDLY SOCIETIES. A barrister was appointed in 1828 to certify the rules of savings banks, and in 1829 to certify those of Friendly Societies. In 1846 he was constituted Registrar of Friendly Societies. By the Friendly Societies Act, 1875, the Central Office of the Registry of Friendly Societies was created, consisting of Chief Registrar and the Assistant Registrars for England. It exercises numerous and important functions under the Friendly Societies Acts, the Industrial and Provident Societies Acts, the Building Societies Acts, the Trade Union Acts, the Workmen's Compensation Acts, the Scientific and Literary Societies Acts, the Trustee Savings Banks, and the Post Office Savings Banks Acts, the Loan Societies Acts, the Shop Club Acts, and the National Health Insurance Acts, as well as other local and private Acts. The Chief Registrar is also a member of the Ministry of Health Advisory Committee.

SECTION II

THE STATE AND THE HOME

III

HOUSING

1. WITH increasing civilization there has been a continued demand for a sanitary house. When a house is said to be sanitary it implies that its surroundings are sanitary, that it has ample yard space and ventilation associated with it, and that the open spaces, front and back, are in such proportion to the height of the building as to ensure an adequate supply of fresh air and of light.

2. THE SUPPLY OF HOUSES in the past has been by

- (1) Private Enterprise.
- (2) Building Societies.
- (3) Friendly Societies.
- (4) Trade Unions.
- (5) Industrial Co-operative Societies.
- (6) Philanthropic Societies.
- (7) Societies of Public Utility.
- (8) Employers of Labour.
- (9) Local Authorities.

The methods of purchasing houses are dealt with in Chapter XXI.

3. LANDLORD AND TENANT. In taking a house, even if no further arrangement is made, a clear understanding should be come to as to the length of notice to be given, and the time at which it shall be given: *e.g.*, it is of importance whether three or six months' notice may be given at any quarter, or only to fall due at the corresponding quarter-day in the year to that upon which the tenancy was commenced.

In a yearly tenancy, without agreement to the contrary, six months' notice must usually be given to fall due on the same date in the year on which the tenancy commenced. Notice to terminate a tenancy must be given at the proper legal time, and must be definite, although it may contain an offer to renew the tenancy. If the notice is not in order it need not be repudiated by the recipient, but can simply be ignored. It is advisable for the notice to be in writing, as affording the easiest means of proof.

If possession is taken between two quarter days and rent is paid for the odd time, the tenancy is said to run from the next quarter day, otherwise from the date of entry.

If an unfurnished house is taken without special agreement the landlord is not responsible for its being habitable, and the tenant is usually held responsible for keeping it "wind and weather tight" in a temporary manner, but not for permanent repairs.

Deductions may not be made from the rent for repairs done by the tenant on the landlord's behalf, neither does the failure of the landlord to do proper repairs form a ground for terminating the tenancy, but action can be taken for breach of contract.

Under an agreement to keep premises in reasonable repair, it is generally considered necessary to paint outside every three years and inside every seven, also to paper every seven years, under ordinary wear and tear conditions.

Furnished apartments or a furnished house must be fit for habitation at the time when the occupation is to begin.

A landlord can distrain, without legal process, for rent overdue, between sunrise and sunset, but must not make forceful entry. Lodgers' property is exempt if the owner makes a proper declaration and tenders any rent which he himself owes.

Tenants' fixtures left on the premises after the end of the tenancy are in law given to the landlord and cannot be recovered by the tenant.

A tenant or lessee may assign his tenancy unless the tenancy agreement or lease forbids. If it does provide that he is not to assign without consent, an assignment without leave may cause a forfeiture of the lease.

Under the Housing and Town Planning, etc., Act, 1909, there is an implied warranty, on the part of the landlord to a tenant, that the house is reasonably fit for human habitation during tenancy in the case of houses where the rent is not more than—

- (a) £40 per annum in London;
- (b) £26 per annum in an urban area of 50,000 population;
- (c) £16 per annum elsewhere;

unless the letting is on lease for three years or more and the lessee is responsible for repairs.

The local authority are to make periodical inspection of their district for the purpose of ascertaining whether any houses are unfit for habitation, and to keep records of such. Where a house is so discovered, then the local authority are to take action.

4. THE INCREASE OF RENT AND MORTGAGE INTEREST (WAR RESTRICTION) ACT, 1915, and AMENDMENT ACT, 1918. These Acts now provide that the rent which was the standard rent on the

4th August, 1914, shall remain in force as hereafter mentioned in the case of houses up to a rental of

(a) £70 in Greater London.

(b) £60 in Scotland.

(c) £52 in the provinces.

" During the extended period, that is, the period between the time when the 1915 Act would have expired (six months after the termination of the war) and Lady Day, 1921, certain modifications are to be permitted—

(a) Rents may be increased to a maximum of 10 per cent. of the standard rent. No such increase is recoverable if the local authority certifies that the house is not reasonably fit for human habitation or is not kept in a reasonable state of repair.

(b) A limited power is granted of increasing the mortgage interest by one-half per cent. per annum maximum, but the rate as so increased must not exceed five per cent.

5. NUISANCES with regard to neighbours, or defects in one's own house, the difficulties with regard to removal of trade refuse and the provision of an adequate water supply, may be remedied by reporting the matter to the Inspector of Nuisances for the particular borough, urban or rural district. In the event of continued neglect a resident in a non-county borough, an urban or a rural district, should apply to the County Medical Officer of Health, and as a final resort any resident may make representations to the Ministry of Health, Whitehall, London, S.W.1.

6. HOUSING, TOWN PLANNING, ETC., ACT, 1919, provides that in the case of houses intended or used for occupation by the working classes, the name and address of the medical officer of health for the district, and of the landlord or other person who is directly responsible for keeping the house in all respects reasonably fit for human habitation shall be inscribed in every rent book, or, where a rent book is not used, shall be delivered in writing to the tenant before any rent is demanded or collected.

7. CHEAP TRAINS are important to all citizens who live outside the city and who desire change of air, for themselves and their families. The Cheap Trains Act, 1883, was intended to encourage the running of cheap trains by the railway companies, and thus to relieve the congested districts by allowing workmen to live in outlying suburbs. If the company does not provide the accommodation required it may be deprived of the benefits of the Act, which, in Section 2, removes the passenger duty upon fares not exceeding one penny per mile.

8. SMALL HOLDINGS AND ALLOTMENTS ACT, 1908.

(1) A Small Holding is one which either exceeds one acre but

does not exceed fifty acres in extent, or, where it exceeds the latter area, is not assessed for Income Tax beyond £50. The administration is under the control of the County Council.

(2) An Allotment may not exceed an area of five acres. May be provided by the council of any borough, urban district or parish. Any six registered parliamentary electors or ratepayers may make representations to the council; and it is the duty of the County Council to ascertain the extent of this demand.

RATES

1. DEFINITIONS.

(1) Rate is a charge, the proceeds of which are applicable to public local purposes and which is leviable on the basis of the assessment in respect of the yearly value of property.

(2) Gross Estimated Rental is the rent at which the property might reasonably be expected to let from year to year, free of all usual tenant's rates and taxes and tithe commutation rent charge, if any.

(3) Rateable Value or Net Annual Value is the gross estimated rental after deducting therefrom the probable average annual cost of the repairs, insurance, and other expenses, if any, necessary to maintain them in a state to command such rent.

(4) Assessable Value is the Rateable Value reduced by an amount equal to one-half of the rateable value of agricultural land.

2. VALUATION LIST is a list of all the rateable hereditaments in the parish.

(1) Prepared and deposited in same place as rate books, usually the Office of the Overseers.

(2) Appeals against assessments are heard before the Union Assessment Committee, consisting of from six to twelve Guardians of the Poor.

(3) Further appeal lies to Special or Quarter Sessions.

3. THE POOR RATE VALUATION is the basis for—

(1) General District Rate, Sec. 211 Public Health Act, 1875.

(2) General Expenses Rate of a Rural District, Sec. 230 Public Health Act, 1875; Sec. 29 Local Government Act, 1894.

(3) Highway Rate (where levied), Sec. 4 Highway Rate Act, 1882.

(4) Borough Rate, Sec. 144 (5) Municipal Corporations Act, 1882.

4. MAKING AND LEVYING THE POOR RATE, which provides for other services than Poor Relief—

(1) Local Authorities issue precepts on overseers of the various parishes.

(2) Overseers estimate the rate required to produce the amount of the various precepts, together with Overseer's expenses.

(3) Rate is then prepared and allowed by two justices, and levied upon, *inter alia*, every inhabitant, parson, vicar and other, and every occupier of lands, houses, tithes impropriate, propriations of tithes, coal mines, or saleable underwoods.

(5) RATE IS LEVIED upon occupiers, except—

(a) Tithe Rent charge.

(b) In the case of property of small annual value where the owner is rated on—

(i) Metropolis: not exceeding £20.

(ii) Liverpool: not exceeding £13.

(iii) Manchester and Birmingham: not exceeding £10.

(iv) Elsewhere: not exceeding £8.

(c) Sporting Rights when severed from the occupation of the land.

(d) Certain properties are subject to differential rating.

(6) APPEAL lies to Special or Quarter Sessions.

IV

THE HOME

1. REGISTRATION OF BIRTHS, MARRIAGES, AND DEATHS.

Birth of every child born alive in United Kingdom must be registered within six weeks of birth. Penalty for default, 40s. No charge for registration unless Registrar attends at parents' house, when he becomes entitled to 1s. Small charge generally made for certificate. After lapse of three months from date of birth, registration can only be effected by paying 2s. 6d. each to Registrar and Superintendent Registrar.

Deaths must be notified to the Registrar within five days after occurrence. Responsible person is nearest relative present at death or during last illness; if no relative present, then occupier of house or person causing body to be buried. Penalty for default, 40s. Doctor's certificate must be produced to Registrar at time of registration, and Registrar's certificate to officiating clergyman at interment.

Marriages. Established Church: (a) By Licence; (b) by Banns. *Licences* are Common or Special. Common Licences are issued by Registry Office of Bishop of Diocese in which ceremony performed. Fees and duty, £2 2s. 6d. One of parties must make application in person and have been resident for fifteen days in parish mentioned in licence, which is in force for three

months only. Special Licences are granted by only the Archbishop of Canterbury, who personally considers the application, through the Faculty Office, Doctor's Commons, E.C. Such licences obviate the ordinary regulations concerning previous residence, and the marriage can take place at any time and in any parish. *Banns*: Three weeks' notice to be given to clergyman of respective parishes in which parties reside. Public notice given for three consecutive Sundays, after which ceremony may take place at any time within three months of date of first publication.

Registry Office. Without religious ceremony. One of parties must have lived in district for twenty-one days immediately preceding. Fees, 10s.

Non-members of Church of England may be married in any chapel licensed for purpose, or at Registrar's Office of District upon certificates or licences issued by Superintendent Registrar on application by one of parties. If upon *Certificate*, ceremony cannot take place for twenty-one days after notice given, but, in case of *licence*, one day only need elapse. Fees are: Certificate, 2s. to Superintendent Registrar and 5s. to Registrar. Licence, £1 12s. to Superintendent Registrar and 10s. to Registrar.

Why Registration is Necessary—

- (a) Statistical purposes.
- (b) Prevention of fraud.
- (c) Insurance purposes (births and deaths).

2. INFECTIOUS DISEASES

By the Infectious Diseases (Notification) Act, 1899, which applied to the whole of England and Wales, it is necessary to acquaint the Medical Officer of Health for the district of the occurrence of the following diseases. Failure to do so incurs liability to a fine of 40s.

Small-pox	Membranous Croup
Diphtheria	Scarlatina, or
Erysipelas	Scarlet Fever
Typhus Fever	Relapsing Fever
Typhoid Fever	Continued Fever
Enteric Fever	Puerperal Fever
Cholera	

The Ministry of Health may by order extend the Act to other diseases; any local authority may by resolution add other diseases subject to the approval of the Ministry. For example, under these provisions the Act has been made to apply to plague, pulmonary tuberculosis, ophthalmia neonatorum, and, at the request of the Army Council, to measles.

Either the head of the family, the nearest relative in attendance, or someone associated with the case must give the notice, to

which the certificate sent by the doctor in attendance is additional. The citizen discharges this duty as a function of citizenship, and is therefore not remunerated. The doctor discharges the duty as professional services and is therefore paid.

Further Acts provide against—

(a) The wilful exposure of himself or herself by an infected person in a public place or vehicle without notice and precaution.

(b) Anyone else assisting in so exposing an infected person.

(c) So disposing of any infected bedding, clothing, etc., as to be liable to cause danger.

Fines not exceeding £5 can be imposed for breaches of these regulations.

Liability to a fine of £20, or imprisonment, follows the letting of any house or part of a house, in which an infectious case has occurred within six weeks without its being properly disinfected and a certificate that it has been so disinfected obtained from a legally qualified medical man. Further, anyone giving up the tenancy of a house in which an infectious disease has occurred within six weeks must cause the house to be disinfected, and acquaint the owner of the disease having occurred, or be liable to heavy penalties.

Regulations also exist giving authority to the medical officer of health and others for closing or purifying unwholesome houses, also for removing infectious cases not sufficiently isolated in their own homes and so on, to a hospital set aside for such cases, if one exists in the district.

3. INCOME TAX ABATEMENTS.

The importance of the home in the life of the nation has been recognized in the abatements allowed under the Income Tax Act, which include, where the annual income does not exceed £700—

		<i>Allowance of Tax on</i>
In respect of	Wife	£50
„ „	first child under 16 (or 18 for children continuing education to that age) .	40
„ „	each subsequent child under 16 (or 18 as above)	25
„ „	unmarried son or daughter supporting widowed mother	25

A man is encouraged to make provision for his wife and family by the abatement of income tax in respect of premium on Life Assurance up to one-sixth of his income where the total income does not exceed £800.

4. NATIONAL HEALTH INSURANCE ACTS, 1911 TO 1919.

(1) INSURED PERSONS—

(a) All persons (subject to certain exceptions) sixteen years

of age and upwards employed at a rate of remuneration not exceeding (in the case of non-manual workers) £250 per annum in the United Kingdom under any contract of service or apprenticeship. Manual workers are insurable irrespective of remuneration.

(b) Employment under contract as aforesaid as master or member of crew of any British ship.

(c) Employment as an out-worker, unless excluded by special order.

(d) Employment in plying for hire with any vessel or vehicle, the use of which is obtained from the owner under any contract of bailment by payment of fixed sum, share of earnings, or otherwise.

(e) Employment under any local or public authority, unless excluded by special order.

(2) VOLUNTARY CONTRIBUTORS as from the 1st July, 1918, are all persons who comply with the requirements of the Acts.

(3) EXEMPT PERSONS are persons who come within the provisions of the Act but prove that they are—

(a) in receipt of any pension or income of the annual value of £26 or upwards not dependent upon their personal exertions; or

(b) ordinarily and mainly dependent for their livelihood upon some other person; or

(c) ordinarily and mainly dependent for their livelihood on the earnings derived by them from an occupation which is not employment within the meaning of this part of this Act;

(d) as from the 1st July, 1918, persons intermittently employed.

Certificates of exemption are obtained from the Ministry of Health. Forms for the purpose may be obtained at any Post Office.

(4) CONTRIBUTIONS per week—

Employer, 3d. Insured person: Men, 4d.; Women, 3d.

In the case of an insured person of either sex twenty-one years and over whose remuneration does not include board and lodging by employer, and whose remuneration does not exceed the rate of 2s. 6d. per working day, the following rates apply—

Not exceeding per working day.	Employer.		Insured Person.		Recoverable by Employer from the State.
	Men.	Women.	Men.	Women.	
<i>s. d.</i>	<i>d.</i>	<i>d.</i>	<i>d.</i>	<i>d.</i>	<i>d.</i>
1 6	7	6	nil	nil	1
2 0	6	5	1	1	1
2 6	4	3	3	3	nil

Contributions of the Voluntary Class as from 1st July, 1918, are at the employed rate.

Contributions cease at seventy years of age. Employer pays for all employees (mentioned in Section 3 above) whether "exempt" persons or not.

Parliament provides two-ninths for men and one-fourth for women of the funds required to administer the benefits under the Acts.

(5) BENEFITS are of three classes, viz., minimum, additional, extended.

(a) Minimum Benefits, viz.—

(i) Medical treatment and attendance, from date of entrance, including the provision of proper and sufficient medicine and such medical and surgical appliances as may be prescribed by regulations of the Commissioners.

(ii) Sanatorium treatment, including benefit to dependents of insured persons.

(iii) Sickness, as per scale below, commencing on the fourth day.

(iv) Disablement, as per scale below.

(v) Maternity payment of thirty shillings to wife or widow. Sickness and disablement benefit as from 1st July, 1918—

INSURED PERSON who has been insured and has paid contributions for	SICKNESS BENEFIT for twenty-six weeks.		DISABLEMENT BENEFIT so long as rendered incapable of work by disease or disablement.	
	Men.	Women.	Men.	Women.
	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>	<i>s. d.</i>
Over 104 weeks . . .	10 0	7 6	5 0	5 0
Under 104 weeks . . .	6 0	5 0	5 0	4 0

Exempt persons are entitled to medical and sanatorium benefits.

(b) Additional Benefits may be declared by Approved Society showing a surplus after each quinquennial actuarial valuation, but no provision can be made for death benefits.

These Acts are more fully dealt with in *Outlines of Local Government* (Pitman), 1s. net.

SECTION III

THE STATE AND THE CHILD

V

1. **NOTIFICATION OF BIRTHS.**—The Notification of Births Act, 1907, was compulsorily put in force for England and Wales by the Act of 1915. Under it, the father of the child or, if he does not reside in the house, any person in attendance on the mother, must give notice of the birth to the local Medical Officer of Health within thirty-six hours.

For *Registration of Births* see Section II, Chapter IV.

2. **VACCINATION.**—Every child must be vaccinated within a period of six months, unless (a) a doctor certifies that the child is too delicate for vaccination; or (b) an exemption has been obtained. Vaccination may be performed either by a private but duly registered medical man, or by the Public Vaccinator, the latter being paid by the Board of Guardians in the district. When performed privately, a certificate must be forwarded to the Vaccination Officer. Parents with conscientious objections to vaccination may obtain an exemption, within four months after the child's birth, by making a statutory declaration before a Commissioner for Oaths or one Justice of the Peace, to the effect that they conscientiously believe that vaccination will prejudice the child's health. No penalties under the Act can then be imposed.

3. **THE CHILDREN ACT, 1908**, has an important bearing upon child life. Its provisions include

GENERAL DEFINITIONS—

The expression:

- (1) "Child" means a person under the age of fourteen years.
- (2) "Young person" means a person who is fourteen years of age or upwards and under the age of sixteen years.

PART I. INFANT LIFE PROTECTION.

- (1) Local Authority is Board of Guardians.
- (2) Local Authority appoint Infant Protection Visitors, and, in addition, or in lieu thereof, may authorize persons, male or female, to exercise the powers voluntarily.
- (3) Persons receiving one or more infants under the age of seven years to nurse for reward are required to give notice to local authority within forty-eight hours.

(4) Penalty—

(a) Imprisonment not exceeding six months, or fine not exceeding £25.

(b) Forfeiture of lump sum (if any) paid, or such less sum as court may deem just.

(5) Such person has no insurable interest in the life of a child under the Assurance Companies Acts.

PART II. PREVENTION OF CRUELTY TO CHILDREN AND YOUNG PERSONS.

(1) Punishment for—

(a) Cruelty to children and young persons.

(b) Suffocation of infants by persons over sixteen years.

(c) Other offences in relation to children and young persons, including—

(i) Begging.

(ii) Exposing children to risk of burning.

(iii) Allowing in brothels.

(iv) Causing, encouraging, or favouring the seduction or prostitution or carnal knowledge of a girl under the age of sixteen years.

(2) Power conferred on court and constables to—

(a) Bind over person having custody of young girl.

(b) Take offenders into custody.

(c) Detain child or young person in place of safety.

(d) Dispose of child or young person by order of court.

(e) Visit institutions for reception of poor children or young persons, under order of Secretary of State. Visitors may be voluntary.

(f) Order detention of habitual drunkards.

PART III. JUVENILE SMOKING.

(1) Penalty on selling cigarettes or cigarette paper to a person apparently under the age of sixteen, whether for his own use or not.

(2) Duty of a constable or park-keeper in uniform to seize cigarettes or cigarette paper in the possession of such persons whom he finds smoking, and may have power to search any boy so found smoking.

(3) Court of summary jurisdiction empowered to order automatic machines used for cigarettes to be removed.

VI

EDUCATION ACTS, 1902 to 1917

1. EDUCATION is that training in life which will develop the faculties of the individual in such a way that he will not only be

able to fulfil his allotted task as an ordinary tradesman or professional man, but will also become best fitted to serve the community in which he dwells, and to render that service which shall enable him to leave the world better than he found it.

2. THE SYSTEM OF EDUCATION in this country is regulated by the Education Acts, 1870 to 1918, and is under the control of the Board of Education.

Children are required to attend a public elementary school from the age of five years until the completion of the school term following the attainment of the fourteenth birthday. The system of elementary education is fully explained in *Outlines of Local Government*.

3. EDUCATION (ADMINISTRATIVE PROVISIONS) ACT, 1907.

(1) Local Education authority for elementary education have:

(a) Power to provide—

(i) Scholarships or bursaries for scholars from age of twelve.

(ii) Attendance to the health and physical condition of scholars in public elementary schools. According to present arrangements inspection must take place during the first school year, during the year after a child's twelfth birthday, and at some intermediate period.

(iii) Vacation schools, vacation classes, and play centres or other means of recreation for scholars.

(b) Duty to provide for the medical inspection of children.

(2) Registration Council is constituted by the Privy Council, to which is assigned the duty of forming and keeping a register of teachers who—

(a) Satisfy the conditions of registration established by the Council; and

(b) Apply to be registered.

4. MENTAL DEFICIENCY ACT, 1913, provides that the duties of the local education authority shall include a duty to make arrangements, subject to the approval of the Board of Education—

(1) For ascertaining—

(a) What children over the age of seven within their area are mentally defective.

(b) Which of such children are incapable, by reason of mental defect, of receiving benefit or further benefit from instruction in special schools or classes provided under the Elementary Education (Defective and Epileptic Children) Act, 1899.

(2) For notifying to the local authority under the Act the names and addresses of defective children, who on or before attaining the age of sixteen are about to be withdrawn from a

special school or class and in whose cases the local education authority are of opinion that it would be to their benefit that they should be sent to an institution or placed under guardianship.

5. ELEMENTARY EDUCATION (DEFECTIVE AND EPILEPTIC CHILDREN) ACT, 1914—

(1) Duties of local education authority for the purpose of the Elementary Education (Defective and Epileptic Children) Act, 1899, to include the making of suitable provision either alone or in conjunction with other local education authority for the education of children belonging to their area whose age exceeds seven years and who are ascertained to be mentally defective within the meaning of the Act of 1899.

(2) Local education authority to consult parents of children and co-operate as far as possible with other authorities.

(3) Council of urban district or non-county borough may, by agreement, delegate its powers to the county council.

(4) Local education authority may obtain an order, from a court of summary jurisdiction, requiring the child to be sent to a special school.

(5) On child's discharge as no longer defective, certificate of defect to be returned.

6. LOCAL EDUCATION AUTHORITY (MEDICAL TREATMENT) ACT, 1909, empowers the local education authority to recover from parents, summarily as a civil debt, the cost of medical treatment of their children.

7. EDUCATION (PROVISION OF MEALS) ACTS, 1906 AND 1914, administered by local education authority for elementary education.

(1) The local education authority may take steps for provision of meals for children attending their public elementary schools, and for that purpose may—

(a) Associate themselves with a School Canteen Committee.

(b) Provide that Committee, without limit as to expenditure, with land, buildings, furniture, apparatus, and such officers and servants as may be necessary for organization, preparation and service of such meals. Authority cannot purchase food save as hereinafter provided.

(2) Where local education authority resolve that children cannot by lack of food take advantage of education, and ascertain that there is inadequate voluntary provision, they may spend out of the rates such sums as may be necessary to meet the cost of the provision of food. The powers of the local education

authority shall be exercisable in respect of children attending a public elementary school within their area, both on days when the school meets and on other days.

(3) Cost of meals is recoverable from parents as a summary debt.

(4) No teacher is required as part of his duties to assist.

8. EDUCATION (CHOICE OF EMPLOYMENT) ACT, 1910. Powers of councils of county, county borough, non-county borough, and urban district for higher education shall include the power to make arrangements, subject to the approval of the Board of Education, to give boys and girls under seventeen years of age assistance with respect to the choice of suitable employment by—

(1) Collection and communication of information.

(2) Furnishing of advice.

The Education Act, 1918 (Clause 22), substitutes eighteen years for seventeen years.

VII

EDUCATION ACT, 1918

1. OBJECTS. The fundamental purpose of the new Act is "the progressive development and comprehensive organization of education" available for all persons capable of profiting thereby. Until the passing of the Act our educational system had merely supplemented voluntary effort. The new Act is to establish a system of national education.

2. LOCAL EDUCATION AUTHORITIES within the meaning of the Education Act, 1902, are called upon to discharge certain *duties*, and *powers* are given them to undertake other functions.

3. It is now the DUTY of the local education authority—

(1) To SUBMIT SCHEMES to the Board of Education showing the mode in which their duties and powers under the Education Acts are to be performed and exercised whether separately or in co-operation with other authorities (Section 1).

(2) To ADAPT THE TEACHING in the higher classes of public elementary schools to the requirements of older children, and especially to provide practical instruction, and courses of advanced instruction, and to arrange for the transfer of children to higher schools when desirable (Section 2).

(3) To RAISE THE AGE of compulsory attendance at elementary schools to fourteen years [Section 8 (1)], such age to be deemed to be attained at the end of the school term [Section 9 (1)], and to admit children only at the commencement of a school term [Section 9 (2)].

(4) To provide **PART-TIME CONTINUATION SCHOOLS** for young persons up to the age of eighteen, free of fees. Provided that—

(a) the obligation shall not, within a period of seven years from the appointed day, apply to young persons between the ages of sixteen and eighteen, nor after that period to any young person who has attained the age of sixteen before the expiration of that period, and

(b) during the like period, if the local education authority so resolve, the number of hours in each year shall be two hundred and eighty instead of three hundred and twenty.

This Section (10) is the heart of the Act. The "appointed day" above referred to has not yet been fixed by the Board of Education.

EXEMPTION from obligation to attend continuation schools is provided for any young person—

(a) who is above the age of fourteen on the appointed day; or

(b) who has satisfactorily completed a course of training for, and is engaged in the sea service in accordance with any national scheme;

(c) who is above the age of sixteen and either

(i) has passed the matriculation examination of a university of the United Kingdom or an examination equivalent thereto; or

(ii) is shown to the satisfaction of the local education authority to have been up to the age of sixteen under suitable and efficient full-time instruction.

THE OBLIGATION TO ATTEND continuation schools shall not apply to any young person who is shown to the satisfaction of the local education authority to be under suitable and efficient

(a) full-time instruction in some other manner;

(b) part-time instruction in some other manner for a number of hours equal to those required for attendance at a continuation school.

Where a British University or the Central Welsh Board reports to the Board of Education that a secondary school makes satisfactory provision for the education of the scholars, such a school shall for the purposes of this section be treated as recognized by the Board of Education as efficient.

ATTENDANCE shall not be required on a Sunday nor during a holiday or half-holiday, nor between the hours of seven in the evening and eight in the morning, except in the case of young persons employed at night or otherwise employed at abnormal times.

(5) **TO ACT AS LOCAL AUTHORITY** under the Employment

of Children Act, 1903 [Clause 13 (1) (iv)]. A child under the age of twelve shall not be employed, and a child of twelve or upwards shall not be employed on any Sunday for more than two hours, nor on any school day before the close of school hours on that day, nor on any other day before 6 a.m. or after 8 p.m. [Clause 13 (1) (i)]. Section 14 prohibits the employment of children in factories, workshops, mines, and quarries.

(6) TO PROVIDE FOR THE EDUCATION OF PHYSICALLY DEFECTIVE AND EPILEPTIC CHILDREN as soon as the appointed day is fixed. If they cannot do this by means of day schools, they are not to be obliged to provide for the board and lodging of them for seven years (Section 20).

(7) TO ADMINISTER THE EDUCATION (CHOICE OF EMPLOYMENT) ACT, 1910, in respect of young persons up to the age of eighteen years (Section 22).

(8) TO APPOINT TEACHERS of special subjects not attached to the staffs of non-provided schools and to direct the admission of any such teachers to the schools (Clause 29).

(9) To include a POWER TO PROSECUTE any person under Section 12 of the Children Act, 1908 (relating to Cruelty), where the person against whom the offence was committed was a child, and pay any expenses incidental to the prosecution (Section 39).

4. POWERS are given to the local education authorities—

(1) To COMBINE voluntarily to form Joint Committees, or Bodies of Managers, or Federations for carrying out work of common interest. A scheme constituting such shall provide for the appointment of at least two-thirds of the members by councils, and may provide either directly or by co-optation for the inclusion of teachers or other persons of experience in education (Section 6).

(2) To EXTEND THE SCHOOL AGE to fifteen years by by-laws [Section 8 (2)].

(3) To MAKE A BY-LAW that parents shall not be required to cause their children to attend school before the age of six years [Section 8 (4)].

(4) To REQUIRE PUPILS of non-provided schools to attend classes in other institutions for the purpose of practical or special instruction or demonstration [Section 8 (6)].

(5) To PROHIBIT OR MODIFY the conditions of employment of a child when there is reason to believe that those conditions are prejudicial to his health or physical development (Section 15).

(6) TO ESTABLISH HOLIDAY AND SCHOOL CAMPS and other facilities for social and physical instruction for children and young persons, and persons over the age of eighteen attending educational institutions (Section 17).

(7) TO PROVIDE MEDICAL INSPECTION and treatment in secondary and other educational institutions, continuation schools, and schools provided by them as hitherto in public elementary schools. To extend such provisions to any other school or educational institution, whether aided by them or not, if so requested by the management (Section 18).

(8) TO PROVIDE OR AID THE SUPPLY OF NURSERY SCHOOLS for children over two and under five year of age, and to attend to the health, nourishment, and physical welfare of the children attending them (Section 19).

(9) TO MAKE SUCH ARRANGEMENTS, of either a permanent or temporary character, and including board and lodging, for children otherwise unable to receive the benefit of efficient elementary education (Section 21).

(10) TO AID TEACHERS AND STUDENTS to carry on an investigation for the advancement of learning or research in, or in connection with, an educational institution (Section 23).

(11) TO PROVIDE ALLOWANCES for maintenance in connection with any scholarships awarded (Section 24).

(12) TO REQUIRE MANAGERS to admit to non-provided schools teachers of special subjects (Section 29).

5. GENERAL.

(1) LOCAL EDUCATION AUTHORITIES are to avail themselves of the services of private medical practitioners for the medical treatment of children and young persons (Section 25).

(2) THE BOARD OF EDUCATION may, free of cost, inspect and report upon any educational institution if requested by the governing body or headmaster (Section 27).

(3) MANAGERS OF A NON-PROVIDED public elementary school shall give eighteen months' notice to the local education authority of their intention to close the school (Section 30).

(4) A LOCAL EDUCATION AUTHORITY may be authorized to purchase land compulsorily for the purpose of any of their powers or duties under the Education Acts by means of an order confirmed by the Board of Education in accordance with the First Schedule to the Housing, Town Planning, etc., Act, 1909 (Section 34).

(5) A LOCAL EDUCATION AUTHORITY may, with the consent of the Board of Education, provide a public elementary school outside their area for the use of children within their area (Section 35).

6. FINANCE.

(1) THE LIMIT ON THE AMOUNT to be raised by a County Council out of rates for the purpose of education other than elementary shall cease to have effect (Section 7).

(2) NO FEES SHALL BE CHARGED in any public elementary school, except for Meals and Medical Treatment. During a period of five years the Board of Education shall pay to the managers of a school the average yearly sum paid during the five years immediately preceding (Section 26).

The Act retained fees in secondary schools, abolished them in elementary schools, and provided for free education in continuation schools. In other words, it applied the principle that where education was compulsory it was to be given without charge to the parents, but, where the parent had an option whether or not to send his child to a particular type of school, there he should be at liberty to pay fees.

(3) BOARD OF EDUCATION GRANTS shall not be less than one-half of the net expenditure of the authority recognized by the Board of Education, and if the total sums payable fall short of one-half of that expenditure there shall be paid a deficiency grant equal to the amount of the deficiency (Section 44).

7. EDUCATIONAL TRUSTS.

(1) His Majesty may by Order in Council constitute and incorporate, with power to hold land without licence in mortmain, one or more official trustees of educational trust property.

(2) On the constitution of an official trustee or official trustees of educational trust property:

(a) All lands or estates or interests in land then vested in the official trustee of charity lands which are held by him as endowments for solely educational purposes; and

(b) all securities then vested in the official trustees of charitable funds which those trustees certify to be held by them as endowments for solely educational purposes, shall vest in the said official trustee or trustees (Section 45).

SECTION IV

THE STATE AND THE ADOLESCENT

VIII

AFTER-CARE COMMITTEES, ETC.

1. IN connection with the Employment Exchanges established under the Labour Exchanges Act, 1909, there have been constituted Advisory Committees consisting of representatives of employers and trade unionists. These have established Juvenile Employment Committees, which are setting up :

2. AFTER-CARE COMMITTEES consisting of ladies and gentlemen willing to give their services in visiting a limited number of boys or girls assigned to them for the purpose. In large towns and cities it has been found necessary to establish

3. WARD AFTER-CARE COMMITTEES, which are usually linked up to a Central Care Committee for the purpose of securing uniformity of administration. The cases assigned to the Committees are boys and girls who have been found employment by the Juvenile Department of the Employment Exchanges and who are considered suitable for friendly visitation. There is no bureaucratic control, and as far as possible complete freedom is granted the visitor.

EDUCATION (CHOICE OF EMPLOYMENT) Act, 1910.

By this Act the powers of councils of county, county borough, non-county borough, and urban district for higher education include power to make arrangements, subject to the approval of the Board of Education, to give boys and girls under seventeen years of age (the Education Act, 1918, s. 22, substitutes eighteen years for seventeen years) assistance with respect to the choice of suitable employment by:

- (a) Collecting and communication of information;
- (b) Furnishing of advice.

The work has in at least one instance been placed in the hands of a Juvenile Employment Committee, which has kept a register for the purpose of dealing with the requirements under the Act.

IX

TECHNICAL EDUCATION

TECHNICAL EDUCATION is the training which underlies instruction in the arts and sciences of any trade or profession.

REASONS FOR TECHNICAL EDUCATION.

1. The abolition of the apprenticeship system.
2. Division of Labour and specialization in various trades—a man being engaged upon one minor part of production.
3. The rapid progress of science in its application to industry.
4. Improved education elevates the tastes of the community; consequently it is necessary to apply art continuously to industry.
5. Foreign Competition.

There are three classes concerned with technical education—

- (1) Ordinary workmen.
- (2) Foremen.
- (3) Masters.

They have to acquire—

- (1) The "workman's touch."
- (2) The art of handling tools to the best advantage.
- (3) Capacity to handle and plan work.

Provision is made in three ways—

- (1) General Education.
- (2) Training in groups of industries by the application of the Natural Sciences.
- (3) Purely technical training, which is specialized teaching in regard to the various handicrafts.

ADULT EDUCATION

There is a numerous body in the community who seek self-improvement within the precincts of their own home. This increasing body of students is often placed at a disadvantage because amidst the bewildering collection of literature which a system of libraries and cheap publications secure, it is unable to discriminate in a wise selection. The following organizations are recommended as meeting the special requirements.

THE ADULT SCHOOL MOVEMENT. (National Adult School Union, 1 Central Buildings, Westminster, S.W.1.) Whilst distinctly and fundamentally religious in character, Adult Schools have, from their earliest days (when men went to them to learn reading, writing, and in some instances, arithmetic), afforded valuable educational facilities. The first organized movement in this direction was at Bristol, in the early years of the nineteenth century, whence it spread to Plymouth, South Wales, and all over the kingdom. The oldest existing school was founded in 1798 at Nottingham, and served as a model for the reorganization, in 1846, of Joseph Sturge's school at Severn Street, Birmingham, the success of which gave a great impetus to the movement. The Adult School movement is voluntary, unsectarian, and democratic, and its aims include the bringing

together in helpful comradeship and active service of the different classes of society, the stimulation and education of public spirit and public morality, the teaching of the responsibility of British citizenship, and the encouragement of whatever makes for International Brotherhood. On its educational side the movement works through classes, summer and week-end lecture schools, etc., but the method upon which it lays stress is that of fellowship.

Y.M.C.A. The Y.M.C.A. was established some seventy years ago principally through the influence of the late Sir George Williams. By their manifold agencies—religious, social, educational, and physical—the Associations reach a very large number of the youth of the land.

Among the special features of work carried on at home is the effort undertaken in the interests of the Territorial Army in their annual summer encampments. This work had been in operation for more than a decade prior to the outbreak of the Great War.

The Military Auxiliary of the Y.M.C.A. was also doing remarkably successful work among men of the British Army both at home and abroad.

It was thus natural that the Y.M.C.A. should take its place as one of the principal social and religious agencies during the war. To-day it is in touch with the manhood of the Empire, and its influence for good has been admitted by the highest authorities.

The possibility of the "Red Triangle" Huts being found in every village in the land is encouraging as leading to the solution of one of the most important of our social problems.

The Y.M.C.A. National Headquarters are at Tottenham Court Road, London, W.

THE WORKING MEN'S COLLEGE (Crowndale Road, London, N.W.) was established in 1853 by the Reverend Frederick Maurice and his band of Christian Socialists, to whom reference was made in the first chapter. The College places a liberal education within the reach of the working men. Its lecturers are all unpaid, and have included John Ruskin, Thomas Hughes, and at the present time the grandson of the founder, Major-General Sir Frederick Maurice.

THE NATIONAL HOME READING UNION (12 York Buildings, Adelphi, W.C.2) exists to guide readers in the choice and use of books and to provide a means of continuous education.

For a nominal fee it provides—

1. Courses of reading, with select lists of books in Poetry, Drama, Fiction, Language, History, Biography, Travel, Philosophy, Economics, Nature Study, Science, Art, and General Literature.

2. A magazine published monthly during the Session (October to May), containing articles on the books and their authors, questions on the books read, and information of interest to readers.

3. Companionship in systematic reading and study in circles.

4. Tutorial help by correspondence.

5. The loan of illustrative portfolios of prints and photographs.

THE WORKERS' EDUCATIONAL ASSOCIATION (W.E.A.) (16 Harpur Street, London, W.C.1) seeks to provide facilities for the further education of working people, to take advantage of all existing means to this end, and to co-operate with the Universities and others in devising fresh means for education. By its monthly magazine (*The Highway*), its pamphlets, and special cheap editions of books of an educational character, it seeks to stimulate and to satisfy educational desire. It is unsectarian, non-party political, democratic, and progressive.

The W.E.A. now consists of more than 2,000 organizations, including the Trades Union Congress, General Federation of Trade Unions, Trades Councils and Branches, the Co-operative Union, Co-operative Committees, Adult Schools, Brotherhoods, etc., University Bodies, Local Education Authorities, the Club and Institute Union, Working Men's Clubs, Institutes, etc., Teachers' Associations, Education and Literary Societies, Classes, and Study Circles. Various other Societies, mainly of workpeople, are also affiliated.

The W.E.A. has initiated spare-time classes all over Britain in such subjects as Biology, Political Economy, Industrial History, Sociology, Political Science, English Literature, Evolution of Government, and others, up to University standards. The W.E.A. will consider the provision of a class anywhere within reason if not less than 25 to 30 students signify their wish for such a class.

FREE LIBRARIES may be established under the Public Libraries Acts, 1892 to 1901. These Acts provide that any ten electors may demand a poll, upon the result of which, by a bare majority, Reference and Lending Library and Museum may be provided at the maximum expenditure equal to a penny rate. Such library could in a rural area be housed in a Parochial Hall and constitute a suitable War Memorial.

THE CENTRAL LIBRARY FOR STUDENTS. The object of the Central Library for students is to secure that no *bona-fide* student shall be hindered in his studies by inability to obtain the necessary books.

The function of the Library is to lend the larger and more expensive standard books in any department of legitimate study,

rather than text-books and smaller books of moderate price. Books are lent to individual students, groups of students, societies, and institutions.

The application for the loan of books must be made on the form provided for the purpose by the Librarian, 20 Tavistock Square, London, W.C.1.

RUSKIN COLLEGE, OXFORD, is a College owned by the Labour organizations of Great Britain, controlled by a representative Council which they appoint, teaching the subjects needed for the service of the Trade Unions and Co-operative Societies, and of democratic civil life, and also a College of proved educational efficiency.

It was founded in 1899 by two Americans, Mr. and Mrs. Walter Vrooman. Their object was to make the unrivalled educational opportunities of Oxford accessible to working men and women, who would use these opportunities not to raise themselves out of their class, but to raise their class.

The Governing Body is a General Council consisting of two representatives elected annually from their own members by each of the following bodies—

The Parliamentary Committee of the Trade Union Congress ;
The Management Committee of the General Federation of Trade Unions ;

The Co-operative Union ;

The Working Men's Club and Institute Union ;

with one representative to be elected annually from their own members by each Trade Union, Trades and Labour Council, Co-operative Society, and any other working class organization which at its own expense sends and maintains a student or students at the College.

In addition, there are three Consultative Members, chosen by the Council as educational experts, who are invited to all meetings but who have no vote.

The course extends over two years and the following subjects are taught—

Industrial and Social History
Economics
Constitutional History
Local Government
Theory and Practice of the
Constitution
Co-operation and Co-operative
Book-keeping

Trade Unions and Trade Union
Law
History and Theory of Socialism
English Language and
Literature
English Language and Public
Speaking

The Correspondence Department, including the above and other subjects, is an important branch of the work of the College. A very reasonable fee is charged for outlines and instructions for reading and the examination and correction of a monthly essay.

RECREATION

Many students desire to combine the joys of holidays with intellectual intercourse. Guidance in this direction is afforded by a number of associations, among which may be included the following—

THE CO-OPERATIVE HOLIDAYS ASSOCIATION (224 Oxford Road, Manchester) exists to apply the principle of co-operation to holiday making, and to promote enjoyment in a healthy atmosphere. It offers inexpensive open-air holidays on simple lines and affords a meeting-ground for men and women of widely differing tastes and circumstances.

Days are spent on tramp or in climbing, and mountains, moors, and the countryside are preferred to the conventional holiday resorts. Wayside talks on natural history and literary and social topics are a feature of the excursions.

The C.H.A. is not a profit-making body, any surplus income being devoted to furthering the work of the Association.

THE HOLIDAY FELLOWSHIP, LTD. (Conway), has for its objects: To organize holiday-making; to provide for the healthy enjoyment of leisure; to encourage the love of the open air; and to promote social and international friendship.

Associates and Members.—Those who attend for one week at any holiday centre of the Fellowship are regarded as Associates until 30th September in the year following; they have no vote in the meetings of the Fellowship. Members are those who, in addition to attendance at a holiday centre (at least once in three years), take up one or more shares in the capital of the Society. It is not essential that anyone should be a member in order to join a centre, though this is desirable.

Fellowship Groups.—Fellowship Groups exist in London, Leeds, Manchester, Colne, Keighley, Birmingham, Derby, Glasgow, and other towns for social, education, and recreative purposes.

THE POLYTECHNIC, LONDON. No chapter upon this subject would be complete without a reference to the London Polytechnic, Regent Street, which was founded in 1872 by the late Mr. Quintin Hogg. The educational classes are a leading feature of the Metropolitan system. The provincial has, however, been chiefly attracted by the scheme of Continental and other Holiday Tours which have been in operation since 1888.

SUMMER SCHOOLS

In connection with the University Extension Delegacy of Oxford, Cambridge, London, and the newer provincial Universities, Summer Schools, available to the general public, are held during the summer vacation, particulars of which may be obtained from the Secretaries at the respective Universities. The Co-operative Union also holds similar Schools, of which particulars may be obtained from the Director of Studies, Holyoake House, Hanover Street, Manchester. Other schools are provided by the Workers' Educational Association, the Adult School Movement, and similar bodies.

WEEK END SCHOOLS

These take the form of meetings of members of various organizations either as units or in combination with other bodies for the purpose of study and social intercourse. The School usually extends from Saturday afternoon to Sunday evening. Three and sometimes four lectures are given followed by discussion. During the intervals between the lectures, there is social intercourse over tea, which is generally of considerable benefit to lecturer and students. These schools now form an important section of the work of Adult Schools, Co-operative Education Committees and other organizations, some of which are held at Guest Houses.

SECTION V

THE STATE AND LABOUR

X

FACTORY LEGISLATION

THE FACTORY ACTS. Bodily and mental health and strength are influenced by industry, particularly in two classes of occupations: (1) *Healthful occupations* in themselves, e.g., agriculture and open air-pursuits generally; (2) Distinctly *unhealthy* trades, e.g., lead-glazing, file-making, and certain chemical manufactures. Between these extremes many gradations of employment exist, the healthiness or unhealthiness of which depends largely on sanitary conditions of workshop or factory, hours of labour, etc.

Object of Factory Acts.—To protect the health of younger and weaker members from injury by overwork, unwholesome or dangerous conditions of labour, and from neglect of education.

Historical.—At the opening of the nineteenth century, conditions of factory work were very bad. Child and woman labour was exploited in the rush for wealth following the Industrial Revolution. About 1784 infectious fever broke out among children in cotton mills at Radcliffe. Investigation drew attention to conditions under which children were working. A Dr. Percival and his friends of the Manchester Board of Health held an inquiry into results of the system. They reported, *inter alia*, that the large factories were injurious to the constitutions of those employed in them (close confinement of the workers, hot and impure air, lack of active exercise). Night labour and excessive hours during the day were condemned, and it was pointed out that children employed in factories generally were debarred from all opportunities of education and moral and religious instruction. Fevers generated by dirt and misery spread to upper classes also. The safety of the rich was intimately connected with welfare of the poor. As a result of the labours of the Manchester Board of Health and other social workers, the *First Factory Act* (Lord Peel's "*Health and Morals of Apprentices Act, 1802*") was passed, establishing a twelve hours day and embodying certain sanitary regulations. Apprentices were to be educated during the first four years of their work. Inspection of factories were provided for, but this was not properly carried out. Acts passed in 1816 and 1831 provided more fully for inspection of factories and workshops. The 1836 Act provided for a 10½ hours' day for those under eighteen. Children under fourteen were not allowed to work at night, and under nine were not allowed to work at all. From nine to

fourteen the maximum working day was fixed at eight hours. Holidays were provided for and medical certificate of physical fitness was required before young people could be set to work. Consolidating Act of 1867 defined hours of labour, space to be allowed for work in which men and women were employed, and, for the first time, fixed a half-holiday on Saturdays. It provided also that children employed in workshops and factories should receive elementary instruction to a certain extent on the premises. The 1878 Act provided for thorough sanitary accommodation in all factories and workshops, and for the inspection of such accommodation. Fencing of machinery was provided for, and hours of labour in certain industries revised. There were further and more definite provisions in regard to holidays, and elementary education of "half-timers" and other children employed. Further Acts were passed in 1883, 1886, 1891, 1892, 1895, and 1901, the last mentioned Act giving increased powers to local authorities.

1878. FACTORIES AND WORKSHOPS ACT.

(a) *Factories*.—Establishments in which steam, water, or other mechanical power is used to work any machinery.

(1) Textile Factories. Premises in which steam, water, or other mechanical power is used in manufacturing cotton, wool, hair, silk, flax, and similar things.

(2) Tenement factory is where mechanical power is supplied to different parts of the same building, occupied by different persons for the purpose of any manufacturing process or handicraft. (1901 Act.)

(b) *Workshops*.—Establishments in which any manual labour is exercised in the making, repairing, or adopting for sale of any article.

(1) Tenement workshop means any work-place in which with the permission of owner or occupier two or more persons carry on work which would constitute the place a workshop if they were employed by owner or occupier. (1901 Act.)

(c) *Domestic Workshop*.—Establishment where persons are employed at home; that is to say in a private house, room, or place which though used as a dwelling is, by reason of the work carried on there, a factory or workshop within the meaning of the Act.

(1) Domestic factory or workshop means a private house, room, or place which, though used as a dwelling is, by reason of the work carried on there, a factory or workshop within the meaning of this Act. (1901 Act.)

PROVISIONS under the Acts have taken the form of—

(1) Regulations for the health of the workers.

(2) Regulations for the safety of the workers.

(3) Regulations affecting persons employed.

(1) *Regulations for Health.*

These have included provision for cleanliness and ventilation, and the prevention of overcrowding in the factories and workshops.

(2) *Regulations for Safety.*

(a) Including fencing of machinery, vats, and structures.

(b) No children, young persons, or women to clean machinery in motion, or clean parts of the machinery whilst it is in motion for the purpose of propelling any part of the manufacturing machinery.

(c) Notice of accidents to be sent to surgeon and inspector.

(3) *Regulations affecting Persons.*

Children under 10 could not be employed at all.

„ „ 14 could be employed half-time under certain conditions.

Young persons „ 18 and women were limited as to hours and conditions of employment.

(a) Employment: 10 hours system; from 6 or 7 a.m. to 6 or 7 p.m., with two hours for meals. On Saturdays, from 6 or 7 a.m. to 1 or 2 p.m., with one hour for meals.

(b) Children could only be employed for half this time.

(c) In the case of young persons under 16, a medical certificate of fitness was required.

(d) Arrangements for meals must be regular and taken simultaneously.

(e) Holidays: Christmas and either Good Friday and Easter Monday or Whit-Monday, and eight half or four whole holidays.

1901. FACTORY AND WORKSHOP CONSOLIDATION ACT.

(1) *Health.*

(a) Arrangements made for securing sufficient drainage.

(b) Sanitary conveniences, with separate provision for the sexes.

(2) *Safety.*

(a) Provision of fire escapes to be made.

(b) Orders to be issued as to dangerous machinery and factories.

(3) *Persons.*

(a) Hours of work for Women and young persons—

Cannot be employed on night work, viz., between 9 p.m. and 6 a.m.

Nor in a textile factory except between 6 a.m. and 6 p.m. or 7 a.m. to 7 p.m. on an ordinary working day with two hours for meals, one of which shall be before 3 p.m.

Nor in a non-textile factory except between 6, 7 and 8 a.m. and 6, 7 and 8 p.m. with one and a half hours for meals, one of which shall be taken before 3 p.m.

The hours of work on Saturdays are from 6 a.m. to 12 noon in manufacture; 7 a.m. to 12.30 p.m. in other trades; 7 a.m. to 12.30 in manufacture; 7 a.m. to 1 p.m. in others.

(b) Children—

Where employed half-time then the hours of employment were to be either in sets or alternate days. Not to be on successive days.

Hours of employment to be the same as women and young persons.

Children under 12 not to be employed. The provision in respect to other workers remained as before.

(c) Holidays: No woman may be employed in any factory or workshop on Sunday except Jews or women in creameries not exceeding three hours, Christmas Day, Good Friday, and every Bank Holiday.

(d) Certificate of school attendance of children working half-time to be obtained by employer weekly.

(4) *Docks*. By Section 101 these were brought within the scope of the Act.

(5) List of outworkers in certain trades to be kept by employers and copy sent to inspector; and another copy to the sanitary authority.

(6) Particulars of rates of wages were to be kept in certain trades.

FACTORY AND WORKSHOP ACT, 1907.

Came into force 1st January, 1908.

Made laundries technically non-textile factories or workshops according as power is used or not; subject, however, to certain exceptions as to hours.

Extended the Factory Acts to industrial work (laundry or other) in charitable and reformatory institutions (not otherwise subject to Government inspection) "notwithstanding that the work carried on therein is not carried on by way of trade or for purposes of gain, or that the persons working therein are not working under a contract of service or apprenticeship"; with proviso that Secretary may order certain modifications if satisfied that all workers are inmates supported by the institution

or engaged in supervision, and that the work is for the support, education, training, or reformation of those engaged in it.

FACTORY INSPECTORS. Two grades: (1) inspectors; (2) assistant inspectors.

Inspectors are responsible for work-places where motive power is used and other places within the definition of "factory." Assistants are responsible for workshops.

COAL MINES REGULATION ACT, 1908, provides that a workman shall not be below ground for the purpose of his work and of going to and from his work for more than eight hours during any consecutive twenty-four hours. (Section 1.)

There is no contravention if the period between the times at which the last workman in the shift leaves the surface and the first workman in the shift returns to the surface does not exceed eight hours, or if a workman is below ground for—

1. Rendering assistance in case of accident;
2. Meeting danger or apprehended danger;
3. Dealing with any emergency.

XI

TRADE UNIONS

A **TRADE UNION** is an association of workers belonging to any trade who agree to act together as they are directed by their elected council, and who subscribe money to pay the expenses. They endeavour through agreements or strikes to fix wages, regulate hours of labour, and control the details of industry. (For Statutory Definition see under Trade Union Act, 1913.)

The fundamental principle of the Trade Union is the protection of the Standard of Life.

The objects of a Trade Union are two-fold, viz., those of —

- (1) A Friendly Society.
- (2) A Trade Society or Guild.

The methods by which trade unionists endeavour to accomplish their end, which is in a sense the monopoly of the labour market, are direct or indirect. The direct method is a strike or a similar cessation of labour on the part of the workmen.

The indirect methods are by limiting the number of workmen to be employed in any trade and by repressing or discountenancing competition among those who are actually employed in it. Some unions forbid the admission of more than a stipulated proportion of apprentices and some prohibit the engagement of women to do work that can be done by men. Nearly all do their best to exclude non-unionists from employment altogether.

The growth of the "capitalistic" system of industry under which the workman no longer owned the materials or instruments with which he worked was one of the most potent causes of the development of workmen's combinations.

The rise of permanent trade combinations is to be ascribed to the definite separation between the functions of the capitalist entrepreneur and the manual worker.

The only true sense in which it can be said that there is a certain indirect historical filiation between the Craft Guilds and Trade Unions is that some of the earlier Trade Unions had for their original object the enforcement of the Elizabethan legislation which had taken the place of the obsolete regulation of industry by the Craft Guilds.

Trade Unions originated with the non-observance of the Elizabethan Statute of Apprentices, and their primary object was in all cases the enforcement of the law on that subject.

1800. An enactment that all persons combining with others to advance their wages or decrease their quantity of work were liable to imprisonment. It soon became apparent that legal proceedings under obsolete statutes were futile, and in 1813 the law empowering justices to fix wages was abolished.

A combination was usually left alone until some employer was sufficiently inconvenienced by its operations to be willing himself to set the law in motion. In many cases we find employers apparently accepting or conniving at their men's combinations.

The main use of the law to the employers was to checkmate strikes and ward off demands for better conditions of labour. From 1818 Francis Place headed a movement to repeal the Combination Laws, and by the Acts of 1824 and 1825 the right of collective bargaining, involving the power to withhold labour from the market by concerted action, was for the first time established. But in 1825 there was financial panic and widespread commercial disaster. Wages were reduced all round. The emancipated combinations were no more able to resist reductions than the secret ones had been before.

In 1833 the "National Consolidated Trades Union" was founded, but the great associations began to dwindle on the "presentation of the document" by the employers. (See also the Chartist Movement in Chapter II.) Trade Unionism then gave way to co-operation.

High rates of contribution and the provision of friendly society as well as trade benefits were among the features of the new type of union, of which the Amalgamated Society of Engineers (1851) is the most important example.

The formation between 1858 and 1867 of permanent Trades Councils in the leading industrial centres was an important step in the consolidation of the Trade Union movement.

In 1867, the Bradford magistrates held that the Boilermakers' Society could not proceed against their defaulting treasurer under the Friendly Societies Act, 1855, being, as a Trade Union, outside the scope of the Act.

The Queen's Bench upheld this, giving the additional reason that the objects of the Union, if not since 1825 actually criminal, were yet so far in restraint of trade as to render the Society an illegal association.

In 1869 a Bill was introduced which provided that no Trade Union was to be illegal merely because it "was in restraint of trade." Every Union was entitled to be registered if its rules were not expressly in contravention of the criminal law. But it did not allow peaceful picketing. This Bill became the Trade Union Act, 1871, and the Criminal Law Amendment Act, 1871.

Under the new Act a strike was lawful, but anything done in pursuance of a strike was criminal.

Trade Unions were recognized as legal entities.

During the years 1875-79, a collapse took place due to commercial panic, and many of the Unions lost their funds by a series of unsuccessful strikes against reduction of wages.

In 1889 occurred the Great Dock Strike in London. This was the culmination of an attempt to organize the unskilled workers which began in London two or three years before. The immediate result of the dockers' strike was the formation of a large number of Trade Unions among the unskilled labourers, which became known as "The New Unionism."

In 1904, by *The Taff Vale Judgment*, the House of Lords decided that persons acting in concert, whether combined together in a Trade Union or collected and limited under any other form of association, were as liable to be sued in respect of any damage occasioned to any other person through their act or default as any individual person might be liable.

Consequently the agents of a Trade Union who, in furtherance of a strike sanctioned and devised by its authorized officers, committed wrongful acts, were held to have rendered responsible the principals who caused them to be committed, and it was further held that a Trade Union could be sued in its registered name and would be liable for damages out of its common fund.

The result was the passing in 1906 of *The Trade Disputes Act* which was passed to secure for Trade Unions immunity from

liability to actions of tort in respect of peaceful and non-criminal acts, committed in connection with trade disputes; and provided that—

An act done in pursuance of an agreement or combination by two or more persons shall, if done in contemplation of or furtherance of a trade dispute, not be actionable unless the act, if done without any such agreement or combination, would be actionable. This legalized peaceful picketing and prevented the development of the policy which the Taff Vale Judgment had produced.

In 1910 occurred *The Osborne Judgment*:—

The *Court of Appeal* held that the definition of a Trade Union contained in the Trade Union Act, 1871, Section 23, or the amended definition in the Trade Union Amendment Act, 1876, Section 16, is a limiting and instructive definition. It is not competent to a Trade Union either originally to insert in its objects or by amendment to add to its objects something so wholly distinct from the objects contemplated by the Trade Union Acts as a provision to secure or maintain Parliamentary Representation.

The *House of Lords* in their judgment declared that a Trade Union has no power to use its funds for Parliamentary purposes.

The result was the passing in 1913 of the *Trade Union Act*. Section 2 (8) is as follows—

“The expression Trade Union for the purpose of the Trade Union Acts (1871–1906) and this Act means any combination, whether temporary or permanent, the principal objects of which are statutory objects provided that any combination which is for the time being registered as a Trade Union shall be deemed to be a Trade Union as defined by this Act so long as it continues to be so registered.”

Section 1 (ii) defines statutory objects as those mentioned in Section 16 of the Trade Union Amendment Act, 1876—regulation of relations between workmen and masters or between workmen and workmen or between masters and masters, or the imposing of restrictive conditions on the conduct of any trade or business, and also the provision of benefits to members.

ADVANTAGES OF TRADE UNIONS. It is claimed that—

1. They have raised wages and improved the working conditions of their members.

2. They have reduced sectional strikes and simplified and facilitated peaceful negotiations.

3. Labour becomes more efficient because Trade Unions require a certain standard.

4. They have encouraged thrift by friendly society benefits.

5. They have encouraged practical citizenship.

Against these advantages, the following DISADVANTAGES OF TRADE UNIONS have, among others, been urged—

1. All combinations in the sphere of economics are opposed to competition.
2. They are liable to control by demagogues.
3. They try to grow rich at the expense of others.
4. They set up one standard in regard to conditions of employment, which is obviously the minimum; and
5. Cause restriction of output.

COMBINATION IN TRADE UNIONISM.

1. *Amalgamation.* Union of workers in different though related trades (*e.g.*, Amalgamated Society of Engineers).

2. *Federations.* Combinations of different trades (*e.g.*, General Federation of Trade Unions, and the Transport Workers Federation) to weld different Trade Unions into a single army capable of concerted movement and backed by a gigantic central fund, the whole of which should be at the service of any society fighting to maintain its existence or to improve its lot. The benefits given by the General Federation of Trade Unions are—

- (1) Advisory.
- (2) Mediatory.
- (3) Financial.
- (4) Educational.

The Trade Union Amalgamation Act, 1917, provides that any two or more Trade Unions may become amalgamated together as one Trade Union if, in the case of each or every such Trade Union on a ballot being taken, the votes of at least 50 per cent. of the members entitled to vote thereat are recorded and of the votes recorded, those in favour of the proposal exceed by 20 per cent. or more the votes against the proposal.

TRADES UNIONS OR TRADES COUNCILS. First mentioned in 1830, when the National Union of Cotton Spinners was formed. A Trades Council means a combination of different trades which are confederated by means of delegates.

In 1848 was formed the Liverpool Trades Guardian Association, the forerunner of the Liverpool Trades Council, which claims to be the oldest Trades Council in the country. This was revived in 1861 as the United Trades Protection Association. Between 1858 and 1867 there was a big development all over the country. To-day practically every industrial area possesses its Trades or Labour Councils, many of them with a paid permanent secretary, and most of them participating in constitutional political activities and in educational propaganda.

TRADES UNION CONGRESS. The Trades Union Congress has developed from the Trades Council movement. In 1864 a

conference was called by the Glasgow Trades Council to consider the law of Master and Servant. In 1868 the Manchester and Salford Trades Council called a congress, and in 1868 the Birmingham Trades Council. In 1871 the London Trades Council called a congress for the purpose of discussing the Trade Union Bill of that year. Since that date the Trades Union Congress has met annually. The Congress is neither executive, administrative, nor legislative. Its executive functions expire with the appointment of its Parliamentary Committee, and its legislative functions are confined to passing resolutions. It has, however, been called the Parliament of Labour, and has undoubtedly been identified with many of the reform movements of the last half-century (*e.g.*, franchise, ballot, summary jurisdiction, imprisonment for debt, peasant proprietorship, Factory Acts, Irish Land Acts, purchase of houses by labouring classes, old age pensions, qualifications of justices of the peace and during the war advocated the appointment of the Food Controller.

PARLIAMENTARY COMMITTEE. The objects of the Parliamentary Committee of the Trades Union Congress are—

1. To watch all legislation affecting labour.
2. To initiate such legislation as Congress may direct.
3. To arrange a programme for Congress from the resolutions of Trades Councils.
4. To transact business between each Congress.

THE LABOUR PARTY. In February, 1900, as the result of a resolution passed by the Trades Union Congress, a Labour Representation Committee was formed of representatives of Trade Unions, Co-operative Societies, Socialistic, and kindred societies for the purpose of devising means for the securing of an increasing number of Labour Members in the next Parliament.

At the General Election, 1900, they secured 2 members. In 1906, 29 members. They then changed their name to the Labour Party. In 1909, they were joined by the Miners' Federation. At the January election, 1909, they secured 40 members, and in the following December, 42 members. In the December, 1918, election the numbers increased to 61.

SYNDICALISM. The word first appeared in England in 1910, when the Industrial Syndicalistic Education League was formed at Manchester. The official monthly organ, *The Syndicalist*, defined Syndicalism as revolutionary Trade Unionism. Its immediate objects are to conduct a scientific class war against capitalism. Its ultimate aim is the capture of the industrial system and its management by the workers themselves for the benefit of the whole community.

The word is derived from the French *Syndicalisme* (syndical) appertaining to *syndic* (association).

With the rise of organized labour in France into a factor of social and political importance, the Trade Union movement has tended to monopolize the term *syndical*, and the noun *syndicalisme* has come to stand in France for Trade Unionism.

Another meaning of the term is the one which has been imported and attached to the English word "Syndicalism," and is now generally understood in France to denote the policy of the Confédération Général du Travail (C.G.T.) which was formed in 1895 with the definite adoption of Syndicalism as a Labour policy and whose alliance with State employees and postal, telegraph, and telephone services in the labour trouble of the early part of 1909 caused so much anxiety to the French Government.

Syndicalism is Trade Unionism applied to a revolutionary purpose. It has been said that it follows logically on the doctrine of class war taught by Socialism to the wage earners.

Sir Arthur Clay says that its purpose is the total destruction of the existing industrial organization and the transfer of all means of production from the present possessors, wage payers, to the wage earners.

Mr. Philip Snowden says that Syndicalism proposes that the control of production shall be exercised by the workers in various industries (*i.e.*, railways shall be managed by railway workers, mines by miners, the Post Office by postal servants, etc.).

INDUSTRIAL UNIONISM. The Trade Union organization was established and in the main continues upon a craft basis. A movement exists to organize the Unions by industries, such Industrial Unions to include brain workers as well as manual workers. This movement is advocated by the organizations supporting the National Guilds.

NATIONAL GUILDS. Under this system the management of each industry would be in the hands of a National Guild, including all workers in the industry. All the Guilds would be linked up in a Guild Congress representing the whole body of producers. Each Guild would administer its own internal affairs, and matters of common interest would be discussed and settled by the Guild Congress.

Where the consumers were concerned there would be discussion between the Guild and the State, or, in matters of common interest, and in cases of disagreement, between the Guild Congress and the State. In these discussions each party would have its economic power behind it; the Guilds would be in

possession of the management of industry, the State would be the owner of the means of production.

XII

INDUSTRIAL DISPUTES AND INDUSTRIAL COUNCILS

Concerning methods of settling industrial disputes, the following definitions were given in the Final Report (Cd. 7421) of the Labour Commission of 1894—

ARBITRATION is the settlement, by one or more presumably impartial persons, of an issue on which the parties have failed to agree.

CONCILIATION is the coming together of the parties for the discussion of questions with a view to amicable settlement. This word is often used where we should properly speak of Mediation.

MEDIATION means the exercise of good offices by some outside agency, with a view to avert an impending rupture between the parties, or, if the rupture has taken place, to bring them together again as soon as possible, without itself acting as arbitrator, or making an award, although it might sometimes make, and even publish, recommendations as to the course which should be followed. In the latter case, its action facilitates what may be called arbitration by public opinion.

CANADIAN "INDUSTRIAL DISPUTES INVESTIGATION ACT," 1907. This Act dealt with certain specified industries—those connected with transport by land and water, mining and smelting, the supply of light and water, telegraphs, telephones, etc. Under the provisions of the Act, where a strike or lock-out is impending, the aggressive side must send written notice to the Dominion Department of Labour. Then an official conciliator intervenes. If he is unsuccessful, a Conciliation Board is set up, before which the disputants must appear. Striking, or locking-out, is forbidden under penalties, until full inquiry has been held and the Board's findings and recommendations have been drawn up and published. The Board's recommendations have no legal force, but obviously carry great weight.

THE CONCILIATION (TRADE DISPUTES) ACT, 1896, based upon the 1894 Report, was largely "permissive," and provided for the setting up and registration of Boards of Conciliation, Trade Boards, District Boards, and General Boards. It empowered the Board of Trade to intervene in industrial disputes and, at the request of both parties, even to arbitrate.

In 1908, COURTS OF ARBITRATION consisting of an employer's representative, a workmen's representative, and an independent chairman were established.

NEW ZEALAND AND AUSTRALIAN COMPULSORY ARBITRATION. Under the New Zealand Conciliation and Arbitration Acts of 1894 and 1908, Conciliation Boards representative of employers and employees were set up, and an Arbitration Court was established to adjudicate on cases which proved incapable of settlement by conciliation. Failure of voluntary conciliation is succeeded by compulsory arbitration, or the Arbitration Court may be approached in the first instance. Agreements reached by Conciliation, or the Awards of the Arbitration Court, are legally binding on the whole trade in the district concerned, and strikes and lock-outs are then forbidden under penalties. The example of New Zealand was followed by the setting-up of State and Federal Arbitration Courts in Australia.

THE INDUSTRIAL COUNCIL. In 1911 the Board of Trade established the Industrial Council, representative of employers and workmen, to consider and inquire into matters referred to them affecting trade disputes, especially disputes affecting the principal trades of the country or likely to cause disagreement involving the subordinate trades, or which the parties are themselves unable to settle. The Council was not to interfere with, but to encourage voluntary agreements, and to supplement and strengthen the Board of Trade in conciliation matters. No compulsory powers were given to the Council which had as Chairman the Comptroller-General of the Labour Department of the Board of Trade, with the title of Chief Industrial Commissioner.

Reports and statistics of Trade Disputes and Conciliation and Arbitration cases appear monthly in *The Labour Gazette*, published by the Ministry of Labour. These are useful for the guidance of Parliament, and in the formation of public opinion on labour questions.

NATIONAL JOINT INDUSTRIAL COUNCILS. During the war, the Cabinet Committee on Reconstruction set up a Sub-Committee, presided over by Mr. J. H. Whitley, M.P. (the Deputy Speaker), known as the Committee on Relations between Employers and Employed—

1. To make and consider suggestions for securing a permanent improvement in the relations between employers and workmen.

2. To recommend means for securing that industrial conditions affecting the relations between employers and workmen shall be systematically reviewed by those concerned, with a view to improving conditions in the future.

This Committee recommended the formation of *National Joint Standing Industrial Councils* in each industry, each Council to

consist of representatives of Employers' Associations and representatives of Trade Unions. It was to be an association of associations, and pre-supposed effective Employers' Associations and Trade Unions.

For convenience of consideration, it was suggested that industries should be divided into three groups—

(A) Industries in which organization on the part of employers and employed is sufficiently developed to render the Councils representative;

(B) Industries in which either as regards employers or employed, or both, the degree of organization, though considerable, is less marked than in (A), and is insufficient to be regarded as representative; and

(C) Industries in which organization is so imperfect, either as regards employers or employed, or both, that no associations can be said adequately to represent those engaged in the trade.

The organization proposed by the Committee comprises three types—

1. *National Joint Industrial Councils*, as mentioned above;

2. *District Councils*, also representative of the Trade Unions and Employers' Associations in the Industry; and

3. *Works Committees*, representative of the management and of the workers employed, instituted in particular works, and acting in close co-operation with the District and National machinery.

The scheme is purely voluntary, is flexible, and capable of variation to suit all circumstances. There is consequently no uniform method for the formation of these Councils, but the usual method is—

(a) Agreement by representative men on either or both sides that the organization of the industry requires development;

(b) application to the Ministry of Labour for suggestions as to joint bodies in industry;

(c) calling of a conference of representatives of associations and Trade Unions in the industry;

(d) appointment by the conference of a sub-committee, which drafts a constitution for the Council;

(e) approval of the constitution by a meeting representing the whole industry;

(f) "recognition" of the Council by the Ministry of Labour, not given unless the vast majority of employers and employed in the industry are included in associations or Trade Unions.

In *Group A* industries, the triple organization of National, District, and Workshop bodies can generally be adopted.

In *Group B* greater or less modification of the complete scheme is necessary, according as the particular industry approaches nearly to *Group A* or verges upon *Group C* (e.g., the setting-up of District Councils might be impracticable in certain areas covered by the industry owing to lack of organization in those areas; or an industry, although well organized in one or two areas, in which District Councils could be established, might not be sufficiently well organized nationally for the formation of a National Council).

For industries in *Group C*, the machinery of the Trade Boards Acts is recommended until such industries become sufficiently organized for the setting-up of District and National Councils.

District Councils. As the intermediate body between the National Council and the Works Committee, the District Council acts on, the one hand as the executive for carrying out in its area the decisions of the National Council, and, on the other, co-ordinates local workshop practices. Its area is defined by, and its membership is on the same basis as, the National Council.

Works Committees. The object of Works Committees is to widen the interest of workpeople in their industry by granting them a greater share and responsibility in the consideration of matters affecting their industry. They are to be responsible for the enforcement, in the works, of the collective agreements of National and District Councils, and to set up and maintain a system of co-operation in questions affecting daily life in the business and the efficiency of its working, which are peculiar to the individual workshop or factory. Meetings are usually held every two or four weeks, during working hours.

The respective functions of National and District Councils and Works Committees require separate determination in accordance with varying conditions of different industries.

Among the questions with which it is suggested National Councils should deal, or which it should allocate to District Councils or Works Committees are the following—

(i) The better utilization of the practical knowledge and experience of the workpeople.

(ii) Means for securing to the workpeople a greater share in and responsibility for the determination and observance of the conditions under which their work is carried on.

(iii) The settlement of the general principles governing the conditions of employment, including the methods of fixing, paying, and readjusting wages, having regard to the need for securing to the workpeople a share in the increased prosperity of the industry.

(iv) The establishment of regular methods of negotiation

for issues arising between employers and workpeople, with a view both to the prevention of differences, and to their better adjustment when they appear.

(v) Means of ensuring to the workpeople the greatest possible security of earnings and employment, without undue restriction upon change of occupation or employer.

(vi) Methods of fixing and adjusting earnings, piecework prices, etc., and of dealing with the many difficulties which arise with regard to the method and amount of payment apart from the fixing of general standard rates, which are already covered by paragraph (iii).

(vii) Technical education and training.

(viii) Industrial research and the full utilization of its results.

(ix) The provision of facilities for the full consideration and utilization of inventions and improvements designed by workpeople, and for the adequate safeguarding of the rights of the designers of such improvements.

(x) Improvements of processes, machinery, and organization and appropriate questions relating to management and the examination of industrial experiments, with special reference to co-operation in carrying new ideas into effect and full consideration of the workpeople's point of view in relation to them.

(xi) Proposed legislation affecting the industry.

The Ministry of Labour is entrusted with the promotion of Joint Industrial Councils, which have now been formed in many important industries. The principles are also being applied in the industrial departments of local authorities, in the industrial establishments of the Government, and in the administrative and clerical grades of the Civil Service.

NATIONAL INDUSTRIAL CONFERENCE. In February, 1919, a National Industrial Conference representative of employers and workpeople in the principal trades of the country was convened by the Government to consider proposals for better relations between capital and labour.

XIII

CO-PARTNERSHIP AND WELFARE WORK

Co-PARTNERSHIP has developed from Profit-sharing, which is, indeed, an essential part of Co-partnership. The following definitions were adopted in 1912 by the then Labour Department of the Board of Trade in their Report (Cd. 6496) on the subject.

The term *Profit-sharing* is applied to "those cases in which an employer agrees with his employees that they shall receive, in partial remuneration of their labour, and in addition to their

wages, a share, fixed beforehand, in the profits realized by the undertaking to which the profit-sharing scheme relates."

In explaining the sense in which the term Co-partnership (or "Labour Co-partnership," to be exact) is used, the Department quoted from a Memorandum on *Co-partnership and Labour Unrest*, issued in October, 1911, by distinguished advocates of the system, which states that—

"The Co-partnership of Labour with Capital is capable of many modifications according to the needs of varying industries, and in some one of them it is applicable to almost every industry where labour is employed. In its simplest form, taking the case of a man employed by a great limited liability company, it involves—

"1. That the worker should receive, in addition to the standard wages of his trade, some share of the final profit of the business, or the economy of production.

"2. That the worker should accumulate his share of profit, or part thereof, in the capital of the business employing him, thus gaining the ordinary rights and responsibilities of a shareholder."

Co-partnership is based upon the standard wage. It "assumes a standard wage before there can be any talk of profit to divide." Another essential condition is that the men shall have perfect freedom to join any Trade Union. When these requirements are fulfilled (*i.e.*, where freedom of combination exists, and the general conditions are those of the Trade Union) it is claimed that the co-partner, whilst losing nothing he claims as a trade unionist, gains considerably more than combination can of itself give him. The aim of co-partnership is to introduce a better spirit into bargaining operations.

HISTORY OF THE MOVEMENT. Co-partnership and profit-sharing schemes were introduced in France about the year 1838, the two French schemes which are best known being those of the *Maison Leclaire* (Painters and Decorators) at Paris (introduced in 1842), and the *Maison Godin* (Ironworks) at Guise (profit-sharing commenced in 1876). In these and one or two other French schemes the co-partnership element has been so developed that they are essentially co-operative associations.

The movement in England began a few years later than in France, and has developed in two directions—

1. *The Self-governing Workshops*, originally established or encouraged by the Christian Socialists, who, in 1850, formed the "Society for the Promotion of Working Men's Associations." None of these was successful, nor were other independent ventures which started later, but since the establishment, in 1884, of

what is now known as the "Labour Co-partnership Association," many such societies have been formed and have met with considerable success. They now number over 100, and have been thus classified—

(a) Societies consisting mainly of individual shareholders employed by the society (e.g., *The Walsall Locks and Cart Gear, Ltd.*).

(b) Societies consisting partly of individual shareholders employed by the society, and partly of co-operative societies, which provide, in addition to capital, a market for the produce (e.g., *The Ideal Clothiers, Ltd., Wellingborough*).

(c) Societies which are federations of other societies, such as co-operative societies, but which by their rules provide for the employees to share in the profits and to acquire capital in the concern (e.g., *The United Co-operative Baking Society, Glasgow*).

The Scottish Co-operative Wholesale Society, and about one in seven of the retail distributive societies ("stores") have profit-sharing schemes for employees. Membership of a co-operative society being open, most employees become shareholders.

2. *The adoption of Profit-sharing and Co-partnership by Ordinary Trading Undertakings.*

(a) The Gas Companies constitute the principal group, some forty undertakings, with an aggregate capital of over £55,000,000, having co-partnership schemes, all following more or less closely that of the South Metropolitan Gas Company, the pioneer of such schemes. The bonus paid to co-partners is based on the selling price of gas, rising as the price of gas is reduced, and falling as the price is increased, according to a sliding-scale. At least one-half of the bonus paid must be invested in the stock of the undertaking. The schemes are managed by a joint committee of representatives of the employees and of the directors. In two undertakings employees are represented on the Board of Directors.

(b) *Lever Brothers, Limited.* Under this well-known scheme, partnership certificates are allotted to those who are considered desirable partners, who are 22 years of age, and have been with the firm for four years. Each co-partner receives annually, on the recommendation of his foreman or other superior officer, an amount of this nominal capital averaging about 12½ per cent. on salaries and wages. The maximum holding for each class of employee varies from two to four times his annual wages. Partnership certificates receive interest at the rate of 5 per cent. less than that paid on the Ordinary Shares. This interest is paid in Preference Shares of the company, which become the absolute property of the recipient. Partnership certificates,

having no intrinsic value, lapse when an employee leaves the business, but an employee retiring after a certain age is granted 5 per cent. preferential certificates up to ten times the average dividend on partnership certificates received by him for the previous three years. These preferential certificates remain the property of the employee, or his widow so long as she does not re-marry, during the remainder of their lives.

(c) *Limited Partnership by Employees.* Under the Limited Partnerships Act, 1907, employees of a private firm, as a body, may acquire an interest in its business, with strictly limited liability, and without any right of interference in management.

3. *Conversion of Ordinary Businesses into Co-operative Societies.* In a few instances, ordinary business undertakings have, by admitting employees to a very large share in profits, capital, control, and responsibility, and by organization on co-operative lines, been converted into co-operative societies. The best known examples are Wm. Thompson & Sons, Ltd., Huddersfield; Brownfield's Guild Pottery Society, Ltd.; and Haslemere Builders, Ltd.

In addition to those mentioned above, there are many other types of co-partnership and profit-sharing. Profit-sharing has also been applied in certain municipal trading undertakings (e.g., Burton-on-Trent Gas and Electricity Departments, Belfast Municipal Tramways, and Poplar Electricity Department).

WELFARE WORK

Welfare Work has been officially defined as "the provision by the Management for the worker of the best conditions of employment. . . It may be regarded as including everything which bears on the health, safety and general well-being and efficiency of the worker, while avoiding any interference with his private affairs." (Home Office Pamphlet on Welfare and Welfare Supervision in Factories and Workshops, 1919.)

Certain minimum conditions of welfare for employees are necessary to comply with—

1. *Statutory Requirements* (e.g., under the Factory Acts, Mines Acts, Mines (Minimum Wage) Act, Shop Acts, Trade Boards Acts, etc.).

2. *Standard Conditions* of the trade and district, as maintained by Trade Unions.

Enterprising and philanthropic employers have, however, for many years introduced improved working conditions beyond such minima, and the Government, when framing regulations for munition works during the war, availed themselves of much of the experience gained by such employers. To such an extent

has this work developed in recent years that in many large works a " Social Secretary " or " Welfare Supervisor " is appointed, and suitable courses of training for such positions are provided by the Social Study Departments of the Universities.

Among the various amenities provided for workpeople may be mentioned the following—

1. Housing (*e.g.*, the schemes of Robert Owen at New Lanark, Sir Titus Salt at Saltaire, and, more recently, Port Sunlight, Bourneville, Earswick, Woodlands, etc.).

2. Mess-rooms and canteens, for the supply of meals at, or in some instances below cost, and with facilities for warming food.

3. Medical and dental treatment.

4. Rest-rooms for girl and women workers.

5. Provision of protective clothing, *e.g.*, overalls and hoods and caps.

6. Washing conveniences.

7. Cloak-rooms and drying-rooms for wet clothing.

8. Ambulance and surgical facilities for promptly dealing with accidents.

9. Sick clubs.

10. Pension schemes.

11. Holidays with pay.

12. Co-partnership (see page 57).

13. Educational facilities—day and evening classes, libraries, etc.

14. Recreation—institutes and sports clubs, choirs, etc.

From the employees' standpoint, two objections have been raised to welfare work controlled by the employer—

- (a) its stigma of charity;

- (b) its control solely by the employer.

The ideal is for employer and employees to co-operate as far as is practicable (*e.g.*, works canteens, sick and pension schemes may be jointly managed, and in connection with the Accident Fund of at least one large undertaking there is a system of " Juries of Workmen " to investigate and report on the causes of accidents, and to make recommendations to prevent their recurrence). Such co-operation between the management and the workers should be one of the functions of a Works Committee where such exists. (See page 56.)

In certain industries, Orders relative to the welfare of the employees are made by the Home Secretary under section 7 of the Police, Factories, etc., Act, 1916, to apply generally throughout the industry. Before such an Order is issued, public announcement of its terms is made, to which objections must be lodged within three weeks.

XIV

**TRADE BOARDS, WORKMEN'S COMPENSATION,
TRUCK ACTS, EMPLOYERS' LIABILITY**

TRADE BOARDS. The object is to remedy existing abuses in regard to sweated industries. Sweating is understood to mean that work is paid for at a rate which, in the conditions under which many of the workers do it, yields to them an income quite insufficient to enable an adult person to obtain anything like proper food, clothing, and house accommodation.

The Trade Boards Acts of 1909 and 1918 are administered by the Ministry of Labour, whose officers have power to enter workshops and inspect wages sheets, and have the same power to take and conduct proceedings as is possessed by Factory Inspectors.

The Acts applied originally to all workers in the following trades—

1. Ready-made and wholesale-bespoke tailoring.
2. Box-making of paper, cardboard, chips or similar material.
3. Machine-made lace, net finishing, mending or darning operations of lace-curtain finishing.
4. Hammered, dollied or tommied chain-making.

By the Trades Boards Acts, 1918, the Trades Boards Act, 1909, shall apply to any other trades to which it has been applied by provisional order or a special order made under the Act by the Ministry of Labour, if they are satisfied that—

1. The rate of wages in any branch of the trade is exceptionally low as compared with other employments.
2. The other circumstances of the trade are such as render the application expedient.

TRADE BOARDS consist of—

1. Equal number of representatives of employers and workers.
2. Members appointed by the Ministry of Labour, being less in number than the numbers representing employers and workers.

Women are eligible as appointed and representative members.

Duties of Trade Boards—

1. Since the passing of the Trade Boards Act, 1918, a Trade Board has power to fix the following kinds of minimum rates of wages—

- (a) General Minimum Time Rates.
- (b) General Minimum Piece-Rates.
- (c) Guaranteed Minimum Time-Rates.
- (d) Overtime Rates.

2. To apply the same universally to the trade, or to different districts, or to different classes of workers.

3. May establish District Trade Committees, and refer to them any matter which they think expedient (other than special minimum piece-rates).

4. Empowered to make recommendations to Government Departments on questions concerning industrial conditions in their trades, *e.g.*, recommendations as to amendments to the Factory Acts, hours of labour and matters affecting reconstruction problems.

Further particulars of Trade Boards are given in *Outlines of Local Government*.

CORN PRODUCTION ACT, 1917

1. OBJECTS. Among the objects of the Act is the establishment by the Board of Agriculture and Fisheries of an Agricultural Wages Board for England and Wales for fixing the minimum rates of wages for "workmen" employed in agriculture, that is to say, rates of wages which, in the opinion of the Board, are the lowest which ought to be paid to "workmen" in the district for which the rates are fixed.

2. WORKMEN includes boys, women, and girls, and employment in agriculture includes not only work on farms, but also on osier land, woodland, orchards, market gardens, and nursery grounds.

3. CONSTITUTION OF THE WAGES BOARD.

Consists of three classes of persons—

(a) Appointed members directly appointed by the Board of Agriculture and Fisheries, and not necessarily engaged in agriculture.

(b) Representative Members—

(i) representing employers;

(ii) representing workers.

The members representing employers and the members representing workers must be equal in number. Women are eligible as members. The appointed members must not be greater in number than one-quarter of the total number of members of the Wages Board. The number of members is fixed by regulation.

4. DUTIES OF THE WAGES BOARD.

(a) To fix minimum rates of wages for time-work for all classes of workers. In the case of able-bodied men, the rates must be such as will secure wages which in the opinion of the Wages Board are equivalent to a payment for an ordinary day's work at a rate of at least 25s. a week. The age of 18 is adopted as the age at which the minimum rate for men becomes payable.

(b) They may, if they think it necessary or expedient, also fix minimum rates of wages for piece-work.

(c) These rates, whether time-work or piece-work, may be fixed to apply

(i) Universally to workers employed in agriculture.

(ii) Differently for different districts.

(iii) For different classes of workers.

(iv) For different kinds and conditions of employment.

(d) To define certain payments in kind which may be reckoned in part payment of such wages, the Board have issued an Order defining the particular "benefits and advantages" which may be so reckoned. The Order names the maximum amount (three shillings) which may, in any circumstances, be deducted from the cash wage in respect of a cottage provided by an employer.

5. DISTRICT WAGES COMMITTEES.

These are established by the Wages Board, who may refer to them any matter which they think expedient.

TRUCK ACTS. A common practice formerly existed, particularly in mining and manufacturing districts, of employers setting up, or having an interest in, shops for the supply of the necessities of life, and requiring their employees to obtain their goods at such shops; thus in effect increasing the employer's profits whilst lowering to the employee the value of his wages. To remedy this evil, the Truck Acts, 1831 and 1896, were passed.

These Acts are complicated and the following is only a general indication of their nature.

The wages of a workman must be paid in current coin of the realm, and not in kind, and there must be no stipulation concerning the expenditure of the wages. Payment of wages other than in current coin is illegal and void, and a workman can recover any wages not paid in coin. The value of goods supplied cannot be set off by an employer against a claim for wages, nor can he sue such a workman for the value of goods supplied as wages.

Exceptions. The payment of farm servants by the provision of board and lodgings, 'unintoxicating drink, or other privileges in addition to wages, is expressly legalized, as is also the provision of medical attendance, fuel, tools, lodging, food prepared on the premises of the employer and there consumed, and the corresponding deduction from wages in respect of such provision, but such deduction must not exceed the true value of the benefits, and the workman's consent to the deduction is required in writing.

Deductions in respect of fines are illegal except in compliance with certain conditions laid down in the Act of 1896. For this purpose shop assistants are included as "workmen." Deductions

from wages in respect of bad workmanship, for materials, tools, machines, room, light, heat, etc., are also allowed only where such deductions are definitely prescribed beforehand, and they are fair and reasonable. Statutory deductions are permitted, as in the case of the National Insurance Act.

Besides making contracts of employment void, infringement of the Acts carries heavy penalties.

EMPLOYERS' LIABILITY AND WORKMEN'S COMPENSATION.

Under COMMON LAW an employer is not liable for damages in respect of injuries arising from the ordinary risks of employment. He may, however, become liable through his own negligence whilst personally supervising the work (providing there is no "contributory negligence" on the part of the workman injured), through failure to provide adequate and reliable plant, machinery, and materials (unless the workman, well knowing the risk arising from the defective machinery, etc., voluntarily takes the risk), or through failing to do his best to employ only competent servants. Provided he does exercise due care in appointing servants, the employer is safeguarded by the doctrine of "common employment" (*i.e.*, the implied condition in the contract of service that the workman intended to take upon himself the risk of his being injured by a fellow workman).

Previous to 1846, if a workman died as the result of an accident, the employer escaped all liability, as under the old rule, *actio personalis moritur cum persona* ("a personal action dies with the person").

By Lord Campbell's Act (THE FATAL ACCIDENTS ACT, 1846) a right of action was conferred on the personal representatives of a person killed as the result of wrongful act, neglect, or default on the part of any person, such as would (if death had not ensued) have entitled the party injured to maintain an action and recover damages in respect thereof.

By the EMPLOYERS' LIABILITY ACT, 1880, a workman personally injured (or, in case of death, his personal representatives) was given the right to damages where the injury is caused by—

- (1) any defect in the condition of the ways, works, machinery, or plant connected with or used in the employer's business; or
- (2) the negligence of any person in the service of the employer, who has any superintendence entrusted to him, whilst in the exercise of such superintendence; or
- (3) the negligence of any person in the service of the employer to whose orders or directions the workman at the time of the injury was bound to conform, where the injury results from his having so conformed; or

(4) the act or omission of any person in the service of the employer done or made in obedience to the rules and by-laws of the employer or to any particular instructions given by any person delegated with the authority of the employer in that behalf; or

(5) the negligence of any person in the service of the employer who has the charge or control of any signal, points, locomotive engine, or train upon a railway.

The damages awarded under this Act take the form of a lump sum, not exceeding a sum equal to three years' earnings. Notice of injury has to be given within six weeks, and the action to be commenced within six months from the occurrence of the accident, or, in case of death, within twelve months from the time of death; but the want of such notice is no bar to the maintenance of such action, in case of death, if the judge is of opinion that there is reasonable excuse for the want of notice.

WORKMEN'S COMPENSATION ACTS. The Workmen's Compensation Act, 1906, repealed Acts passed in 1897 and 1900 and placed upon every employer the duty of paying to his workmen money compensation for any accident sustained by the servant in connection with his work. The first section of the Act is as follows—

" If in any employment personal injury by accident arising out of and in the course of the employment is caused to a workman, his employer shall, subject as hereinafter mentioned, be liable to pay compensation in accordance with the first section of this Act."

The employer is free from any liability for the first week of his servant's incapacity. If it be shown that the servant brought on the injury by serious and wilful misconduct, no compensation is payable. Where the injury is not fatal, the master has to pay to the servant during the latter's inability to do full work a weekly sum not exceeding one-half his average weekly earnings during the preceding twelve months, but in any case not more than £1 per week. In some special cases (for example where the employment has been irregular, with different masters, or at different classes of work) the Act gives special directions as to how the average is to be arrived at. As injuries resulting from accident may improve or grow worse as time goes on, the Act allows either the master or the servant to have the rate of compensation raised or reduced, as required. Should the master wish to get rid of his liability at once, he may, after six months, discharge the servant's claim in one payment down, which must amount to the cost of a Government Annuity of three-quarters of the yearly value of the ordinary payments. This method of disposing

of the matter is the exclusive privilege of the master, the servant not being able to force him to take this course if he is unwilling to adopt it. If the servant be under twenty-one (as domestic servants often are) or mentally deficient, the master cannot obtain from the servant an effective receipt for his payments. If, therefore, he pays other than to the persons and in the manner directed by the County Court, he stands in danger of having to pay again. The weekly payments, being intended as a provision for the servant, are not capable of being transferred to others, either by way of sale or as a security for loans of money, or to ensure the payment of debts or otherwise.

If the accident prove fatal, the state of the deceased's family will determine the liability of the employer. The Act intends that the compensation shall be for the benefit of persons in his family who were wholly or partly dependent on his exertions.

The servants who are entitled to the benefits of the Act are called in it "workmen." The word applies to practically all (of either sex) who stand in the position of employees, with a few exceptions, the chief of which are non-manual workers whose pay is more than £250 a year, out-workers of certain kinds, members of the master's own family, and those who are not engaged in the employer's business and whose services are "casual." The Act extends its benefits to persons who are engaged in clerical as well as manual work. Every injury for which compensation can be enforced must, moreover, be the outcome of an "accident." That word has caused much difficulty in the Courts in the past, and will, no doubt, still do so. To be an "accident," an occurrence must be something fortuitous and unexpected, and an occurrence may be an accident in the legal sense, though it may not be such in the view of "the man in the street." But whatever the nature of the accident may be, it must have arisen out of and in the course of the servant's employment, if anything is to be recovered from the master.

In the event of a servant sustaining any accident and seeking to get compensation from his master, he should give to the master as soon as practicable after the accident written notice of the occurrence. This should be done before the servant leaves the employment in which the accident has been met with.

The notice should give clearly the name and address of the injured servant, the date of the accident, and state shortly the cause of the injury. This notice should be followed by a formal claim, which should be made before the end of six months from the date of the accident.

XV

UNEMPLOYMENT

(a) Unemployed Workmen Act, 1905

1. **OBJECT.** Passed in a period of exceptional distress consequent upon the South African War, in order to prevent those who in ordinary times could and would find work from becoming permanent members of the pauper class.

2. **CENTRAL AUTHORITY** is the Ministry of Health, through Distress Committees in the provinces and in the Metropolis by—

(a) Central Unemployed Body.

(b) Borough Distress Committees.

3. **POWERS AND DUTIES OF PROVINCIAL DISTRESS COMMITTEES—**

(1) To make themselves acquainted with the conditions of labour within their area.

(2) To receive, inquire into, and discriminate between applications made to them from persons unemployed.

(3) If satisfied that applicant is temporarily unable to obtain work and that case is more suitable of treatment under this Act than under the Poor Law, then Committee may assist applicant by—

(a) aiding emigration or removal to another area of applicant and any of his dependents;

(b) providing or contributing towards the provision of temporary work.

(4) To establish, take over or assist Labour Exchanges, and to collect information. (Abolished by Labour Exchanges Act, 1909.)

(5) With the consent of the Local Government Board, to establish a Farm Colony where expenses may reasonably be expected to be defrayed otherwise than out of contributions by the Council.

(6) With the consent of the Local Government Board, to purchase by agreement or take on lease land for the purposes of the Act.

(7) To accept donations of money or other property for the purpose of the requirements of the Act.

4. **OFFICERS** may be employed for the efficient exercise of the powers and discharge of the duties of the Committee.

5. **EXPENSES** of administration are limited to a rate of one halfpenny in the pound, or, with the approval of Local Government Board, one penny in the pound, but the provision of work must be defrayed out of voluntary funds.

6. **WORK** to which Provincial Distress Committees can contribute, must be provided by a Local Authority or Public Body.

(b) Employment Exchanges (Labour Exchanges Act, 1909)**1. OBJECTS—**

- (1) Provision of a voluntary market for labour.
- (2) Prevention of economic waste of time on the part of both employers and workpeople.
- (3) Reduction of casual labour and vagrancy.
- (4) Provision of statistics relative to the conditions of labour.
- (5) Provision of machinery for insurance against unemployment.

2. GUIDING PRINCIPLES—

- (1) National, covering the whole of the United Kingdom, and administered by the Central Government.
- (2) Industrial and not charitable.
- (3) Free and voluntary to both employers and workpeople.
- (4) Impartial as between employers and workpeople.

3. DEFINITIONS—

“Labour Exchange” means any office or place used for the purpose of collecting and furnishing information, either by the keeping of registers or otherwise, respecting employers who desire to engage workpeople, and workpeople who seek engagement or employment.

In October, 1916, it was announced that in future the Labour Exchanges would be termed “Employment Exchanges,” a title which corresponds more accurately to their present functions.

4. ADMINISTERED BY THE MINISTRY OF LABOUR, who may—

- (1) Establish and maintain exchanges in such places as they think fit.
- (2) Assist exchanges maintained by other authorities and persons.
- (3) Co-operate with other authorities and persons.
- (4) Take over Employment Exchanges by agreement with the authority or person by whom the Employment Exchange is maintained.
- (5) By such other means as they think fit, collect and furnish information as to employers requiring workpeople and workpeople seeking engagement or employment.
- (6) Establish Advisory Committees consisting of representatives of employers and trade unionists. These have established Juvenile Employment Committees, which are setting up After-Care Committees.

5. REGULATIONS are made by the Ministry of Labour for—

- (1) Management of Employment Exchanges.

(2) Authorizing advances (on loan) to workpeople travelling to places where employment has been found through exchange.

(3) Providing that no one should be disqualified or prejudiced for refusing to accept employment found through Employment Exchange where the ground of refusal is—

(a) That a dispute which affects his trade exists, or

(b) That the wages offered are lower than those current in the trade in the district where the employment is found.

Regulations require to be laid before Parliament for forty days.

6. PENALTIES—

Any person knowingly making a false statement or false representation to an officer of an Employment Exchange, for purpose of obtaining employment or procuring workpeople, is liable in respect of each offence, on summary conviction, to a fine not exceeding ten pounds.

7. UNEMPLOYMENT INSURANCE.

The Employment Exchanges are responsible for the administration of the Unemployment Insurance Acts, 1911 to 1918, as described below.

8. OFFICERS and servants are appointed by the Ministry of Labour subject to approval of Treasury.

9. EXPENSES incurred by the Ministry of Labour are defrayed out of moneys provided by Parliament.

10. CHOICE OF EMPLOYMENT ACT.

This Act, which gives powers to local authorities to make arrangements to give boys and girls assistance with respect to the choice of suitable employment, is referred to in Chapter VIII.

(c) National Insurance Acts, 1911 to 1919

Part II. Unemployment

1. ADMINISTERED by the Ministry of Labour through the Employment Exchanges.

2. INSURED PERSONS are any persons (male or female) of the age of sixteen and upwards employed wholly or mainly by way of manual labour who have entered into or work under a contract of service in relation to an insured trade with an employer, whether the contract is expressed or implied, is oral or in writing.

3. INSURED TRADES—

(1) Building.—The construction, alteration, repair, decoration, or demolition of buildings, including the manufacture of any

fittings of wood of a kind commonly made in builders' workshops or yards.

(2) Construction of Works.—The construction, reconstruction, or alteration of railroads, docks, harbours, canals, embankments, bridges, piers, or other works of construction.

(3) Shipbuilding.—The construction, alteration, repair, or decoration of ships, boats, or other craft by persons not being usually members of a ship's crew, including the manufacture of any fittings of wood of a kind commonly made in a shipbuilding yard.

(4) Mechanical Engineering, including the manufacture of ordnance and firearms.

(5) Ironfounding, whether included in the foregoing headings or not.

(6) Construction of Vehicles.—The construction, repair, or decoration of vehicles.

(7) Saw-milling (including machine woodwork), carried on in connection with any other insured trade, or of a kind commonly so carried on.

(8) Saw-milling, whether carried on in connection with any insured trade or not.

The question whether a workman is in an insured trade or not depends entirely upon the nature of the work he is performing, and not upon the business of his employer. Questions arising out of this are finally determined by the umpire appointed under the Act.

4. MUNITION WORKERS—

By the National Insurance (Part II) Munition Workers Act, 1916, the compulsory scheme of unemployment insurance was extended to certain scheduled trades and to all workpeople engaged in munition work.

5. CONTRIBUTIONS—

Length of Service	Workman under 18 years		Workman over 18 years		Parliament provides
	Employer	Workman	Employer	Workman	
Does not exceed one day . . .	1d.	1d.	1d.	1d.	One-third of the total contributions received from employers and workmen during each year
Exceeds one but not two days .	1d.	1d.	2d.	2d.	
For every week or part of week exceeding two days . . .	1d.	1d.	2½d.	2½d.	

6. REFUND OF PART OF CONTRIBUTIONS PAID BY EMPLOYER.—Application may be made by employer to Ministry of Labour within two months after the termination of an insurance year, for refund to such employer of the sum of three shillings in respect of each workman, in any one of the trades detailed in paragraph 3, in respect of whom he has paid not less than forty-five contributions during the insurance year.

7. BENEFITS.

(1) In respect of each week following the first week of any period of unemployment, seven shillings, or such other rates as may be prescribed either generally or for any particular trade or any branch thereof.

(2) If below the age of seventeen no benefit is payable.

(3) If of the age of seventeen but below the age of eighteen, half the rate only is payable.

8. CONDITIONS OF BENEFIT—

(1) Workman proves that not less than ten contributions have been paid by him.

(2) That he has made application for benefit in the prescribed manner (*i.e.*, by presenting his book or card at the Employment Exchange) and proves that since date of application he has been continuously unemployed.

(3) That he is capable of work but unable to obtain suitable employment; and has not exhausted his right to benefit.

9. LIMITATION OF BENEFITS—

(1) Not more than fifteen weeks, or such other number of weeks as may be prescribed, within any insurance year.

(2) No workman shall receive more benefit than in the proportion of one week's benefit to every five contributions paid by him, or such other proportion as may be prescribed (in accordance with the 1918 Act) either generally or for any particular trade or branch thereof.

(3) Not payable in case of unemployment due to trade dispute.

10. COURTS OF REFEREES—

(1) For the purpose of settling cases of dispute between workmen and officers.

(2) Consist of three persons, one from an employer's panel, one from a workman's panel, and an impartial chairman chosen by the Ministry of Labour.

(3) If Court agree with insurance officer, decision is final. If they disagree, point may be referred to the umpire appointed by the Crown, whose decision will be final.

11. REFUND OF WORKMEN'S CONTRIBUTIONS—

(1) On reaching the age of sixty, or in the event of death after that age, and having paid at least five hundred contributions. (Special provision is made for workmen entering employment when exceeding fifty-five years.)

(2) Workman or his representative may withdraw his own part of the contributions that have been paid in respect of him, with $2\frac{1}{2}$ per cent. interest.

(3) If workman has drawn benefit less than the amount of those contributions, then he draws the balance with interest thereon.

(4) Does not apply to munition workers as defined in paragraph 4.

12. REPAYMENTS TO ASSOCIATIONS. Ministry of Labour may refund under special provisions to any Association of persons which provide for payments to persons whilst unemployed, whether workmen in an insured trade or not, not exceeding one-sixth of the aggregate amount expended during any prescribed period.

13. ARRANGEMENTS WITH ASSOCIATIONS. Ministry of Labour may make arrangements with such Associations to repay, periodically, to the Association the equivalent of such sum as workmen would have received from the Unemployment Fund where such benefit is paid to workmen by the Association.

14. UNEMPLOYMENT FUND, established under the control and management of the Government, out of which all payments under the Act are made.

SECTION VI

THE STATE AND INDUSTRY

XVI

MERCANTILE LAW, WEIGHTS AND MEASURES, COINAGE

THE functions of the State in relation to Industry may be classed under two main headings, viz.—

1. THE GENERAL FUNCTIONS OF GOVERNMENT, not confined to industry alone (*e.g.*, protection of life and property, settlement of disputes, education, and the tabulation and furnishing of statistics and information.)

2. SPECIAL FUNCTIONS CONNECTED WITH INDUSTRY, *e.g.*,

(1) *Enforcement of Contracts.* Contract being the basis of economic relations, must be capable of enforcement. The State therefore enforces contracts—

(a) Subject to certain *exceptions*, such as

(i) most contracts of an infant, and those of a drunken man, a lunatic, or a convict;

(ii) illegal contracts (*e.g.*, an agreement to commit a crime or to compound a felony, and gaming and wagering contracts);

(iii) general contracts in restraint of trade.

(b) Subject to compliance with certain *conditions* laid down by law, *e.g.*,

(i) *Sealed contracts* (or “ deeds ”) are necessary for certain transactions, such as conveyances of land, legal mortgages, and certain leases for more than three years; gratuitous promises; contracts for the transfer of shares in joint stock companies, or for the sale of British ships; contracts entered into with corporations; and contracts for the sale of sculpture together with copyright therein.

(ii) *Contracts in writing* are necessary for the sale of goods at a price of £10 or upwards, for an agreement of an executor or administrator to answer damages out of his own estate, for a promise to answer for the debt, default, or miscarriage of another person, for an agreement made in consideration of marriage, for any contract or sale of lands, tenements, or hereditaments, or any interest in or concerning them, or for any agreement not to be performed within one year from the making thereof. Other contracts which are required

to be in writing are Bills of Exchange and Promissory Notes, Assignments of Copyright, Contracts of Marine Insurance, and the acknowledgment of the existence of a debt.

(c) Subject to *limitation* of time within which contracts may be enforced (e.g., simple contracts, 6 years; deeds in respect of land, 12 years; other contracts under seal, 20 years).

(d) Subject to *special arrangements* in certain instances (e.g., Bankruptcy).

For conditions laid down by the State in regard to the contract of employment, see Factory Acts, etc., in Section V.

(2) *Prescription of Weights and Measures*, under the Weights and Measures Act, 1878. Standards are kept at the Board of Trade, and copies of them made for local authorities, who, by means of Inspectors, insist upon the use of proper weights and measures. Other directions in which the State has intervened for the protection of the consumer are—

(i) Adulteration Acts.

(ii) Profiteering Act, 1919.

(3) *Minting and Issuing of Coinage*.

(4) *Measurement and Registration of Shipping*, under the Merchant Shipping Act, 1894, and the making and enforcing of regulations for the safety of ships.

(5) Making and enforcing of regulations for the safety, etc of railways and tramways.

(6) Regulation of certain monopolies. (See Chapter XVII.)

(7) Supervision of Joint Stock undertakings. (See Chapter XVIII.)

XVII

MONOPOLIES, PATENTS, COPYRIGHTS, TRADE MARKS, ETC., TRADE NAMES, STATE ELECTRICITY

1. **MONOPOLIES.** When the total supply of any article has come into the possession of an individual or number of individuals, that individual or body of individuals is said to have a "monopoly" of that article. In the Middle Ages, monopolies giving exclusive right to produce a certain commodity were often granted by the Crown. In modern times, a monopoly is usually due to combination on the part of the leading producers in order to control the whole supply. The State "repudiates monopoly, unless when necessary to reward invention; . . . where monopoly is inevitable it regulates price and condition, and sometimes undertakes the supply itself." (Farrer.)

2. **PATENT** is the privilege granted by letters patent to the first invention of a new contrivance in manufacture.

(a) Letters patent are open letters to be read by all the King's subjects.

(b) This privilege entitles the inventor to the sole and exclusive right of making, using, exercising, and selling his contrivances within the United Kingdom, and the Isle of Man, for a period of fourteen years, which on petition to the Privy Council may be extended for a further period of seven years, and, in very exceptional cases, fourteen years.

3. COPYRIGHT is the sole legal right to produce or reproduce any literary, dramatic, musical or artistic work which belongs to the author or his assigns.

(a) It commences from the date of first publication, and the author is deemed to be the first owner of the copyright therein.

(b) The duration of copyright is the life of the author and fifty years after his death.

(c) A copy of every book must (under a penalty of £5 and the value of the book) be delivered gratuitously to the British Museum within one month of publication.

4. TRADE MARKS are intended to ensure to a person that the goods he buys are the goods of the registered owner of the special mark, word, brand, ticket, heading, label device, signature or name, written, printed, stamped or impressed on, or woven in, or attached to the goods.

5. TRADE NAMES differ from Trade Marks in the fact that they have no statutory sanction but are allowed to become the exclusive property of persons by long use. Action against their mis-use is dependent upon equity and not upon statute.

6. STATE ELECTRICITY. The following are the principal provisions of the Government Bill as originally introduced in 1919—

(1). Electricity Commissioners not exceeding five shall be appointed by the Board of Trade. Through these the Board of Trade may exercise any of their powers and duties under the Electric Lighting Acts, or any local Acts relating to the supply of Electricity.

(2). The Electricity Commissioners may, after holding local inquiries, by special orders create districts and constitute and incorporate for each such district an Electricity Board. A District Board shall include representatives of local authorities and companies and of large consumers of electricity within the district.

The powers and duties of District Electricity Boards are defined as follows—

(a) Acquisition of generating stations ;

(b) acquisition of use of main transmission lines of any authorized undertakings;

(c) supply of electricity within their district (including the construction of generating stations, main transmission lines, and other works required for the purpose); and

(d) acquisition of the undertakings or parts of the undertakings of authorized distributors and power companies.

As from the date of an Order constituting a District Electricity Board all generating stations then existing within the district (other than private generating stations) and such main transmission lines as may be specified in the Order shall vest in the District Board, subject to the payment by the Board to the owners of the "standard price" fixed by the Act.

XVIII

JOINT STOCK COMPANIES, BANKING AND EXCHANGE, TRUSTS, BRITISH TRADE CORPORATION, BRITISH DYESTUFFS CORPORATION LIMITED

A JOINT STOCK COMPANY is "an association of individuals for purposes of profit, possessing a common capital contributed by the members composing it, such capital being commonly divided into shares, of which each possesses one or more, and which are transferable by the owner."

They may be divided into three classes, viz.—

1. *Chartered Companies*, created by Royal Charter (*e.g.*, the Bank of England).

2. *Statutory Companies*. Railway, Gas, Electricity, and other Companies requiring compulsory powers to acquire land and commit nuisances, are incorporated by special Act of Parliament, incorporating one or more of the following Acts—

(a) The Companies Clauses Consolidation Act, 1845.

(b) The Railway Clauses Act, 1845.

(c) The Land Clauses Consolidation Act, 1845.

3. *Registered Companies*. Registered under the Companies Acts, 1908 to 1917—

(a) with unlimited liability (*i.e.*, members are personally liable for the debts of the company, during their membership and for one year afterwards);

(b) with the liability of their members limited—

(i) by shares;

(ii) by guarantee (with or without a capital divided into shares).

Companies may also be classified as Public Companies and Private Companies.

A *Private Company* is a company which—

- (a) restricts the right to transfer its shares;
- (b) limits the number of its members (exclusive of persons who are, or have been, in the employment of the company) to 50; and
- (c) prohibits any invitation to the public to subscribe for any shares or debentures of the company.

A Private Company may consist of only two members.

All companies not coming within the definition of a Private Company are *Public Companies*. A Public Company requires at least seven members.

Banking and Exchange

1. A Bank is an institution where money may be deposited for safe keeping, where money may be lent on security.

2. Bankers lend money by opening credits in their books against which customers may draw to extent of credit opened by discounting bills, by purchase of securities, or advancing money on securities, etc. Bankers collect on cheques, and the work is facilitated by Bills of Exchange being payable on London and by the institution known as the Bankers' Clearing House.

3. FUNCTIONS OF BANKING.

(1) Financiering by hypothecated documents against an advance either as a particular or general lien. To advance money against approved securities is another name for an over-drawn account guaranteed by two sureties. Much used in Scotland.

(2) Cash Credits.

(3) Cancellation of Debts—where a number of banks exist, carried on by a *Clearing House*.

(4) Remit money and conduct exchange by cancellation of individual indebtedness of their customers.

(5) Safe deposit of deed boxes, jewel cases, plate chests, etc.

(6) Discounting Bills for which interest is charged to customer.

(7) Issue of paper money or notes, restricted under the Bank Charter Act, 1844, to banks at that time issuing notes.

4. BANKING AGENCIES.

(1) State banks: in this country the Bank of England (see below).

(2) Joint stock banks registered under the Companies Acts, 1908 to 1917, but without limited liability.

(3) Private banks where the shareholders or partners do not exceed ten in number.

(4) Bill brokers and dealers in exchange.

Banks are of various kinds—

(1) *Banks of Deposit* receive money on deposit on a certain prescribed notice of withdrawal.

(2) *Banks of Land Mortgage* which borrow on debentures at the end of a term of years.

(3) *Credit Companies* which invest funds in loans on security of general industrial undertakings.

(4) *Discount Banks* which borrow money on call or deposit and lend on discount of bills and negotiable securities.

(5) *Trust Associations* borrow money on debentures and invest in loans of foreign States.

(6) *Savings Banks* for receipt of small savings. (See Chapter XXII).

5. BANK OF ENGLAND (INCORPORATED BY CHARTER, 27th June, 1694). MANAGEMENT is based on the Bank Charter Act, 1844, whose principal object was to regulate the issue and secure the convertibility of bank notes.

Functions—

(1) Transacts whole of Government business, and, as such—

(a) Collects Government Revenue.

(b) Receives and pays annuities.

(c) Manages National Debt.

(d) Circulates Exchequer Bills.

(e) Makes all payments for the Government.

(2) Is the principal bank of issue.

(3) Has to publish accounts weekly.

(4) Acts as agent for the Mint.

(5) Supports solvent houses in cases of monetary panic.

The Bank is managed by a Governor, Deputy-Governor, and twenty-four Directors elected annually by the stockholders.

Trusts

A trust may be defined as an industrial combination controlling so large a percentage of the entire output of a commodity that consumers are compelled to buy at least a considerable portion of the supply from the combination which is able for a time to affect materially prices in the market.

Amalgamations may be either horizontal or vertical. Horizontal amalgamations are those which take place between firms in the same branch of trade, such as British Dyestuffs Corporation Limited. "Vertical" amalgamations are those which take place between firms in successive stages of the same industry. The latter form is often called "intergration" and may be found in the coal, iron, steel, engineering, and shipbuilding industries.

KARTELLS. Kartells, Pools, Syndicates, and Sales Associations for a time regulate the output and prices of a particular commodity. They differ from trusts in that they are not combinations of production, but operate through a Committee which regulates the operations of the pool but leaves the management of these works to the constituent firms. A similar kind of operation is to be found in the Shipping Ring, which regulates freights.

The forms taken by combinations in the United Kingdom may be described under four main heads—

- (1) The Honourable Undertaking.
- (2) The Trade Association.
- (3) The Combine.
- (4) The Consolidation.

British Trade Corporation

The British Trade Corporation (incorporated by Royal Charter, February, 1918) was the result of a Departmental Committee appointed to consider the best means of meeting the needs of British firms after the war. The business of this Corporation was not so much to take up undertakings of their own as to assist with finance those who were launching out in various directions where it was clearly demonstrated that such launching out would be to the benefit of British trade. They were forming a new company to take over the insurance of commercial bills, and had made an arrangement with the Excess Insurance Company to transfer to that new concern that part of their business. The Corporation's object was to assist the export trade of the country by providing financial assistance so far as their means would permit, and to provide the commercial community with information which would be useful.

British Dyestuffs Corporation, Limited,

was established as British Dyes Limited, by the creation of a new company based upon Read, Holliday & Sons, Ltd., of Huddersfield. In November, 1918, it was incorporated with Levinstein, Ltd., as British Dyestuffs Corporation, Limited.

There were three Departments, viz.—

1. Work of national importance for Government.
2. Supplying dyes for immediate use of shareholders.
3. Building up a national industry for the permanent supply of dyes for this country.

Methods employed—

1. Process worked out in research laboratory.

2. Process repeated in experimental laboratory, containing plant on a small scale.

3. If again successful, plant on a commercial scale.

Research. Two classes—

1. Scientists who study the properties of substances. As seekers for truth, British scientists stand supreme.

2. The study of the application of scientific principles to particular problems and to improvements in methods of operation. Here, others have reaped where our scientific men have sown.

The Government have subscribed £1,700,000 Capital, and the Articles of Association provide—

1. For the appointment of two Government Directors, who possess certain powers of veto at Board Meetings.

2. For the issue to the Government nominees of a Preference Share conferring upon the holders votes sufficient to prevent any alteration of the Company's Constitution.

SECTION VII

INSTITUTIONS FOR THRIFT

XIX

FRIENDLY SOCIETIES

BURIAL Societies are of great antiquity in China, and existed in the Roman Empire in the first century A.D. Our own mediaeval guilds fulfilled many provident objects, and friendly societies are the oldest form of British working men's associations.

The oldest existing friendly societies in Great Britain are in Scotland, and date back to 1555, 1634, 1643, and 1679 respectively. The movement in England began with the Huguenot refugees, who in the early eighteenth century established societies in Bethnal Green. The first *Friendly Societies Act* was passed in 1793, for their protection and encouragement, as promoting the happiness of individuals whilst diminishing public burdens. In 1829 it was enacted that the barrister who had been appointed in 1828 to certify Savings Bank Rules should also examine and certify the rules of Friendly Societies. A Central Office for the Chief Registrar of Friendly Societies was established in 1875.

The existing law concerning Friendly Societies is consolidated in the *Friendly Societies Acts*, 1896 and 1908, and the *Collecting Societies and Industrial Assurance Companies Act*, 1896. Under these Acts, a Friendly Society is defined as—

A society for the purpose of providing by voluntary contributions of the members thereof, with or without the aid of donations, for—

(a) the relief or maintenance of the members, their husbands, wives, children, fathers, mothers, brothers or sisters, nephews or nieces, or wards being orphans, during sickness or any other infirmity, whether bodily or mental, in old age (*i.e.*, any age over 50), in widowhood, or for the relief or maintenance of the orphan children of members during minority; or

(b) insuring money to be paid on the birth of a member's child, or on the death of a member, or for the funeral expenses of the husband, wife, or child of a member, or of the widow of a deceased member, or as respects persons of the Jewish religion, during the period of confined mourning;

(c) the relief or maintenance of members when on travel in

search of employment, or when in distressed circumstances, or in case of shipwreck, or damage of or to boats and nets; or

(d) the endowment of members or nominees of members at any age, not exceeding an annuity of £52 or a gross sum of £300; or

(e) the assurance against loss by fire, to any amount not exceeding £15, of the tools or implements of trade of a member; or

(f) the guaranteeing of the performance of their duties by officers and servants of the Society or Branch.

In practice, the two main purposes of a Friendly Society are—

1. The relief of members in sickness—

(a) by payment of a sum of money to the sick;

(b) by providing them with medical attendance and relief; and

(2) payment of a sum of money on death, generally only for funeral expenses.

The essential principle of Friendly Societies is the *voluntary* one. Contributions are voluntary. Registration is voluntary, and no registered society is compelled to adopt a fixed scale of benefits, or to conduct its business in any specified manner. It has, however, to make certain returns to the Registrar, under penalty of prosecution.

Registration implies no guarantee of solvency or honesty, but helps in many ways towards good management and checks inefficiency and dishonesty. Registration is gratis, and confers many valuable privileges. To be registered, a society must consist of not less than seven members. No maximum number is fixed by law.

PROCEEDINGS FOR REGISTRATION.

(1) A Friendly Society must consist of at least seven persons, and application to the Registrar must be signed by seven members and the secretary of the society.

(2) With the application must be forwarded two printed copies of the rules containing all the provisions indicated in the application, and the two copies must be signed by the same eight persons as sign the application.

(3) There must also be sent a list of the names of the secretary and every trustee of the society, or other officer authorized to sue and to be sued on its behalf.

A Friendly Society is not a corporate body, and legal proceedings are brought and defended by the trustees.

LIMITATION OF PAYMENTS.—No registered Friendly Society may contract for the assurance of—

(a) an annuity exceeding £52 a year; or

(b) a gross sum exceeding £300, except under a scheme under the Workmen's Compensation Act, 1906.

Not more than £6 in all may be paid by any society or branch or societies or branches in combination, on the death of a child under 5 years of age, and not more than £10 on the death of a child under 10 years of age.

TYPES OF SOCIETY. For the purposes of registration, two types of society are recognized, viz.—

1. Ordinary (or branchless) societies; and
2. Societies with branches (otherwise known as "orders" and "affiliated societies").

By Section 106 of the Friendly Societies Act, 1896, a *branch* is defined as meaning any number of the members of a society, under the control of a central body, having a separate fund administered by such members or by a committee or officers appointed by themselves, and bound to contribute to a fund under the control of the central body.

A society with branches must have—

1. A central body.
2. A fund under the control of the central body, to which fund every branch is bound to contribute.
3. A provision for some control of the central body over the branches.
4. A provision fixing the conditions under which a branch may secede from the society.

The oldest and simplest type of society is the *Village Club*, having commonly a uniform contribution for all ages, assuring sick pay and burial money. With increasing age of members sick pay claims increase and funds diminish, but the National Insurance Acts will help in this respect. Membership of these societies is small, but all are known to one another.

County Societies have developed from the Village Club. They afford greater security, being on an actuarial basis. They combine local management with centralization of funds.

Town Societies, like the County Societies, have developed from the Village Club.

Affiliated Orders are a very important type of society. Their establishment was originally due to the rise of Freemasonry. Their constitution combines local independence with central control, the sick fund being administered locally, whilst in other respects the branch is controlled by the central body. For the equalization of burial claims, and the more profitable investment

of funds, branches are grouped into districts, managed by delegates from the branches. Control of the Orders is democratic, delegates being sent from the different branches to the general meeting held in various towns in successive years. Supreme government of the Order is vested in this general meeting. A President and a Management Committee constitute the executive of the central body. Each Order must comply with the statutory requirements as to "Societies with branches."

The Tontine, Dividing Society, or Slate Club originated, so far as concerns Great Britain, in the Birmingham district. It is a most popular type of society. Uniform contributions (usually 6d. weekly) are paid by members. From £8 to £10 is usually paid on the death of a member in full benefit. Sick pay, etc., is provided. The distinctive feature of this type is the *annual "divide."* Sir Edward Brabrook has thus stated the disadvantages of the Tontine—

"... the temptation to spend the amount divided is great; the inducement to thrift is relaxed; the relations between the younger and older members are unfair; and when the young cease to join it, the society will collapse." "But," he adds, "the dividing society will always have an attraction for those who are not permanently settled in one place, and it has this advantage, that nobody ever supposes that a dividing society is a provision for old age. It is a weak point of the ordinary permanent friendly society that, while it is supposed to provide for the old age of its members, it generally seeks to do so only by the method of continuing sick pay throughout life."

Deposit Friendly Societies are worked on a plan combining the functions of the savings bank and the friendly society. Each member's contributions are divided into two parts, one being set aside as a friendly society contribution, to provide a definite portion of the benefits assured; the other part is carried to an account in the member's name, from which is deducted the remainder of sick pay when he comes to claim it. When his personal account is exhausted, his allowance from the friendly society contribution ceases, subject to the provision of an allowance for a limited term, called "grace pay."

Collecting Friendly Societies are doing a useful work in the poorer districts, but possess disadvantages from the members' standpoint. The individual member is of small account, the paramount influence being the agent, with his interest in his "book." This applies to a great extent even in societies which have adopted the delegate system. As compared with the affiliated orders and the "ordinary" branch of a well-managed

assurance company, the cost of management is excessive. This results from their members being largely people who will not insure unless an agent calls every week for the small premium. The profits of collecting friendly societies largely accrue from the lapsing of policies.

As an example of the "centralized" societies, possessing no branches, may be taken the *Hearts of Oak Benefit Society*, which is the largest and most representative of such societies. It is governed by a Delegate Board elected biennially by the members according to districts (each containing about 1,000 members). The Executive Council consists of twenty members elected from and by the Delegate Board, and is divided into standing sub-committees. A Juvenile Branch was established in 1887. Since 1888 the Society has made advances to its members on the security of freehold and leasehold property. In 1893 Convalescent Homes were added to the benefits. The Society was the pioneer of the Maternity Benefit, which was placed upon a national footing by the National Insurance Act, 1911. As a result of the passing of this Act, a Women's Section has been added to the Society.

Juvenile Societies are mainly branches of the Affiliated Orders.

POST OFFICE INSURANCE SCHEME. Insurance and annuity business is also transacted by the Post Office. Premiums may be paid by means of an annual deduction from a Savings Bank Account or by postage stamps affixed weekly to a special premium book. The latter arrangement makes the Post Office scheme almost as convenient as the weekly call of the collector of the Industrial Assurance Company or the Collecting Friendly Society, whilst it is much cheaper to the member.

XX

INDUSTRIAL AND PROVIDENT SOCIETIES

The Co-operative Movement, which to-day has nearly 4,000,000 members, representing with their families at least one-third of the population of the United Kingdom, began in a very small way. Before the end of the eighteenth century, some of the poor inhabitants of Hull had formed the Hull Anti-Mill Society to supply them with flour. Economic pressure led to the establishment, early in the nineteenth century, of many societies both of producers and of consumers, but nearly all of these failed through legal difficulties, lack of capital, or bad management.

The propaganda of Robert Owen in the first half of the nineteenth century stimulated much co-operative activity; and a

new era in co-operative history began with the establishment of the Rochdale Pioneers Society in 1844. This society was the outcome of labour disputes, unemployment, and general dissatisfaction with existing social conditions, and had a very humble start. With a capital of £28, collected at the rate of 2d. and later 3d. per week, the twenty-eight original members commenced their society and opened a shop, the stock of which at first consisted only of butter, sugar, flour, oatmeal and candles. The Pioneers, however, were enthusiasts. They hoped to find work eventually for those of their number who were unemployed or suffering from low wages, they contemplated the purchasing or renting of land for establishing communities, and they proposed to open a temperance hotel. Their principles and methods, which have provided a basis for the most successful societies subsequently established, included—

1. A limited and fixed rate of interest on capital;
2. Sale at market prices; and distribution of profits, after paying interest and working expenses, *pro rata* upon the amount of purchases made by each member;
3. Equality of the sexes in membership;
4. One member, one vote;
5. No credit to be given or asked;
6. The allocation of a definite percentage of profits to education.

The movement along these lines developed slowly at first, but latterly has developed rapidly. Societies of the Rochdale type are known as consumers' societies, the initiative in establishing them, the provision of capital and trade, and the government of the societies depending upon consumers. There is another type of co-operative society which is an association of workers in some industry, and is formed for the purpose of enabling the workers to control the industry in which they are employed. This type of society was very much fostered by the Christian Socialists, who also gave assistance, particularly in legal matters, to the consumers' movement. These producers' societies have now almost all become what are known as co-partnership societies, retail distributive societies of the Rochdale type being admitted as members in most of the societies, and individual members other than employees being admitted in some of the societies.

Industrial Co-operative Societies, as distinct from those forming what is known as the Agricultural Co-operative Movement, may therefore be divided into two main groups—

1. *Consumers' Societies*, which include retail distributive societies of the Rochdale type, and federations of these societies for wholesale or productive purposes; and
2. *Producers' or Co-partnership Societies*, which may be further classified according to the extent to which the worker-members

provide the capital, exercise control, and share the profits. (See Chapter XIII.)

THE RETAIL DISTRIBUTIVE SOCIETIES are the most numerous. In these societies membership is usually open to all, of either sex, over the age of 16. At meetings, each member has one vote, irrespective of the number of shares held. The executive body is a Committee (usually 12 to 15) elected by the members from among themselves. Shares are of the nominal value of £1 (£200 being the maximum amount of interest in shares allowed to any individual member). The first share held by a member is generally transferable, others are withdrawable. A fixed rate of interest is paid on share capital. Goods are sold at the ordinary market prices of the locality for ready money. Accounts are made up quarterly, and the net profits are divided among the members in proportion to their purchases, *i.e.*, as a "dividend," or discount of so much in the £ *on purchases made by them* during the quarter.

THE CO-OPERATIVE WHOLESALE SOCIETIES are federations of retail distributive societies, to enable co-operators to purchase advantageously, or to produce the commodities needed by their members. The English "C.W.S." (Co-operative Wholesale Society) was founded in 1864. Membership is confined to retail societies, which must take up four £5 transferable shares for every twenty of their members, and may send delegates to quarterly meetings at the rate of 1 for every 500 members, or fraction thereof. The smallest society has thus one vote. The Society is managed by a Committee of 32 members elected by ballot by the societies which are members of the C.W.S. Profits are divided in proportion to the trade done, non-shareholding societies receiving half-dividend on purchases.

The Scottish C.W.S. was founded in 1869 on similar lines to the English C.W.S. It is managed by a Committee of twelve members, elected by the shareholding societies. Societies and limited liability companies are admitted as shareholders, as are also employees over 21 years of age (the maximum holding for an employee being £50 shares).

CO-OPERATIVE BANKING. The Co-operative Wholesale Society has had a Banking Department since 1872, when it was authorized to receive surplus capital from the members, withdrawable at call and subject to the current bank-rate of interest, the money to be used either in the business of the Society or lent out on approved security. The progress of the Department was for some time very slow, but of recent years Trade Unions, Friendly Societies, and Clubs have been banking their funds with the Department in increasing numbers. Besides current and deposit

accounts for such societies, the Department opens individual deposit accounts through any distributive co-operative society.

Many retail distributive co-operative societies have savings bank departments for small savings, and also juvenile penny banks.

CO-OPERATIVE INSURANCE. The insurance business within the Co-operative Movement is transacted by the Co-operative Insurance Society which in 1912 was converted from an independent co-operative undertaking to a society jointly owned by the English and Scottish Wholesale Societies.

XXI

THE CO-OPERATIVE UNION grew out of a Central Board elected at the first Co-operative Congress in 1869. In 1889 the Board was re-constituted and registered under the Industrial and Provident Societies Act as the "Co-operative Union, Ltd." It looks after the educational, legal, and Parliamentary aspects of the movement. Membership of the Union is open to industrial and provident societies, joint stock companies, and other bodies corporate which may be admitted by the Central Board. The management of societies admitted must be of a representative character. Each society applying for admission must accept the following principles of business, which are part of the Constitution of the Union—

"To promote the practice of truthfulness, justice, and economy in production and exchange—

"1. By the abolition of all false dealing, either (a) *direct*, by representing any article produced or sold to be other than what it is known to the producer or vendor to be; or (b) *indirect*, by concealing from the purchaser any fact known to the vendor, material to be known by the purchaser to enable him to judge of the value of the articles purchased.

2. By conciliating the conflicting interests of the capitalist, the worker, and the purchaser, through an equitable division among them of the fund commonly known as *profit*.

3. "By preventing the waste of labour now caused by unregulated competition."

CONGRESS is the democratic governing body of the Co-operative Union. It meets annually at Whitsuntide in different towns. Societies which are members of the Union send members to Congress in the proportion of one delegate for every 1,000 members (with a maximum of six delegates for any one society).

THE WOMEN'S CO-OPERATIVE GUILD was founded in 1883 to organize women, as co-operators, for the study and practice of

co-operation and other methods of social reform, and improved conditions of domestic life. Its branches are connected with local co-operative societies, membership consisting of women who are members of a society or wives or daughters of members. The Guild is self-governing, and is a valuable training ground for service in the Co-operative Movement and on local authorities.

THE NATIONAL CO-OPERATIVE MEN'S GUILD was founded in 1912, its objects being, primarily, to arouse, maintain, and increase interest on the part of men co-operators in the workings and development of the Co-operative Movement, and generally, to make known the principles of co-operation, and to assist towards their universal application to human affairs. The National Guild is a federation of individual branches and of district councils.

THE INTERNATIONAL CO-OPERATIVE ALLIANCE was founded in 1892 to bring co-operative organizations in different countries into touch with one another, and to provide markets for co-operative manufactures. It also aims at furthering the general welfare and the emancipation of the working classes in every way. It is democratically organized and governed, membership being confined to co-operative societies.

CO-OPERATIVE PARLIAMENTARY REPRESENTATION. At various Congresses since 1897, proposals for the direct representation of the Co-operative Movement in Parliament were brought forward, but without success until 1917, when, arising out of the War, it was agreed by an overwhelming majority that the Co-operative Movement should take steps to secure direct representation in Parliament and on all local administrative bodies. A detailed scheme giving effect to the resolution was drawn up by the Central Board of the Co-operative Union and approved by a National Emergency Conference. A Parliamentary Representation Committee was formed, now known as the Co-operative Party. At the December, 1918, General Election ten co-operative candidates were put up, one of whom was elected.

THE CO-OPERATIVE COLLEGE. At the 1919 Congress, the Central Board of the Co-operative Union were instructed to organize a fund for the establishment of a Co-operative College, "for the dissemination of the principles of co-operation and harmony in industrial and international relationships." (See also Section IV.)

AGRICULTURAL CO-OPERATION. The Agricultural Organization Society (A.O.S.) was established in 1901 to promote co-operation amongst farmers, and to advise and assist in the formation of Co-operative Agricultural Societies. The importance of its work

has been recognized by State grants under the Small Holdings' Act and the Development Fund Act. Agricultural Co-operative Societies in the various localities are self-supporting and self-governed, but affiliation to the A.O.S. secures many benefits. These societies return to their members, in the form of a bonus, the profits on the year's working. Among their objects are—

1. To purchase for their members manures, seeds, implements, etc., on wholesale terms, and to secure the purity of feeding stuffs, manures, seeds, etc.

2. To secure the best market for the sale of produce, by co-operative organization.

3. To open up remote districts by motor traction.

4. To improve the breeds of live stock by the co-operative purchase of pedigree bulls, etc.

5. To insure horses, cows, pigs, etc., co-operatively, and arrange for all agricultural insurances.

6. To acquire and sub-let land in small holdings and allotments.

7. To provide cheap credit for farmers, allotment holders, etc.

There are a number of Agricultural Credit Banks in existence, particularly in Ireland, but the system of credit banks has not developed in Great Britain to anything like the extent to which it has been adopted on the Continent.

Industrial and Provident Societies Acts

Co-operative Societies are now governed by the *Industrial and Provident Societies Act*, 1893, together with the amending Act of 1913. Under the 1893 Act, Co-operative Societies are defined as "societies for carrying on any industry, trade, or business, including dealings of any description with land." (Co-partnership Housing is included under the last heading.) The business of Banking is included, but societies carrying on such business are subject to special provisions.

The *Industrial and Provident Societies (Amendment) Act*, 1913, provided for—

- (a) the registration of a society consisting solely of two or more registered societies;

- (b) the audit of every registered society's accounts by a public auditor (not being an officer of the society);

- (c) triennial returns of shareholders, with holdings in shares or loans, to be sent to Registrar (names need not be specified if members' accounts are numbered);

- (d) nomination by a member of a registered society of the amount of his property in the society *at the time of his decease*, up to £100.

A registered society is not liable under Schedules C and D of the Income Tax Act unless it sells to persons not members thereof and the number of its shares is limited by either its rules or practice. It is, however, liable to Excess Profits Duty.

To be registered, a society must (except where it consists solely of two or more registered societies) consist of at least seven members (as in the case of a public limited company or a registered friendly society). The requirements for registration are very similar to those for registration of a friendly society. Branches are not legally recognized under the Act. A society will not be registered under the name "Company," but the word "Limited" must always be the last word in the name.

XXII

BUILDING SOCIETIES

BUILDING SOCIETIES are societies for the purpose of raising by the subscription of their members a stock or fund for making advances to members out of the funds of the society upon freehold, copyhold, and leasehold estate by way of mortgage.

There are two classes of society—

1. Terminating.
2. Permanent.

A Terminating Society is one which by its rules is to terminate at a fixed date or when a result specified in its rules is attained. These are usually known as Starr-Bowkett Societies, after the first society which was formed.

A Permanent Society is one which has no such fixed date or specified result at which it shall terminate.

Societies act on the principle that at compound interest money will double in a term of years approximately equal to $70 \div \text{rate per cent.}$ Thus, in fourteen years at 5 per cent. a sum of money will double itself, so that £60 will become £120. If 120 members contribute 10s. per month, then £60 can go monthly to a member. In order to obtain an advance a member will probably bid an equivalent to the interest in advance (*e.g.*, a member may bid £84 for a draw of £60, which is, strictly speaking, £24 for interest and £60 for actual drawing.) To overcome the difficulty of obtaining interest as societies neared their termination, series of societies were established in succession to one another.

Historical

- 1795. Building Clubs in Birmingham.
- 1809. A Society appeared in Greenwich.
- 1815. A Society founded in Kircudbright.
- 1837. Building Societies Act, by which the rules of a society

were to be duly certified by a barrister and deposited with the Clerk of the Peace for the county.

1846. Permanent societies came into existence.

1874. Building Societies Act was drafted by Sir E. W. Brabrook and classified building societies as terminating or permanent.

1892. Liberator Building Society smash took place and resulted in the arrest of Jabez Balfour, who was sentenced to penal servitude. It was followed by a Select Committee, over which Viscount Gladstone presided. This resulted in—

1894. Building Societies Act, by which it is provided that—
The Rules must contain—

1. Name of the Society; the last words of which must be “Building Society.”

2. Address of Chief Office of the society.

3. The manner in which the stock or funds of the society are to be raised.

4. Terms upon which unadvanced shares are to be issued, the subscription and manner in which the contributions are to be paid to the society and withdrawn by the members.

5. The terms upon which paid-up shares (if any) are to be issued and withdrawn.

6. Whether preferential shares are to be issued and limit of same.

7. The manner in which advances are to be made and repaid.

(N.B.—No Society established since 1894 can have a ballot.)

8. The manner in which losses are to be ascertained and provided for.

9. The manner in which membership is to cease.

10. Borrowing powers which must not exceed two-thirds of the amount secured to the society by mortgages from its members.

11. Investment of funds.

12. The manner of alteration, rescinding, and additions to rules.

13. Appointment, remuneration, and removal of officers.

14. The manner of calling meetings and methods of voting.

15. Provision for annual or more frequent audit—one public auditor, and provision for the inspection of mortgages and other securities.

16. Manner of settlement of disputes (usually Arbitration).

17. Provision for the device of seal, its use and custody.

18. Provision for the custody of the mortgage deeds and other securities belonging to the society.

19. Powers and duties of the board of directors or committee of management and other officers.

20. Fines and forfeitures to be imposed on members of the society.

21. The manner of dissolution—provides for the instrument under which the Society can be dissolved; and on an application by any ten members application may be made to the Court for an Order winding it up.

CO-PARTNERSHIP HOUSING involves two principles—

(1) *The Sharing of Profits* of residential estates *with the tenants* (after payment of a moderate and fixed rate of interest on capital) in the form of a dividend on their rents. This originated with the Tenant Co-operators Limited, an industrial and provident society registered in 1888.

(2) *The Planning of Estates on Garden Suburb lines* first combined with the tenants' co-partnership idea, in 1901, in the formation of the Ealing Tenants Limited. Co-partnership suburbs have since been built at Leicester, Sevenoaks, Letchworth, Hampstead, Harborne, Manchester, Liverpool, and elsewhere. Co-partnership Tenants Limited is a federation of these societies for the purpose of providing expert advice, raising capital, and pooling orders for materials.

HOUSING AND TOWN PLANNING, ETC., ACT, 1919, is dealt with in *Outlines of Local Government*.

XXIII

SAVINGS BANKS, ETC.

SAVINGS BANKS, for receipt of small deposits of the working classes, are of two types—

(a) Voluntary Associations, the property and management of which are vested in trustees, and which are termed *Trustee Savings Banks*.

(b) *Post Office Savings Bank*.

Historical

The idea of a Savings Bank was suggested by Daniel Defoe in his *Essay on Projects* (1697). The carrying of it into practice and its development is shown in the following summary—

1799. First English Savings Bank established by the Rev. Joseph Smith, Rector of Wendover, Bucks.

1810. Rev. Henry Duncan founded a friendly bank for the savings of working classes at Ruthwell (Dumfries), which served as the model for subsequent banks.

1815. Liverpool Savings Bank formed, which was the first English Savings Bank to complete its centenary.

1817. First Savings Bank Act passed in England, authorizing formation of Banks for the benefit of depositors, deducting from

such deposits only sufficient to provide for the expenses of management. Management to "derive no benefit from such deposits or produce thereof."

1818. It was enacted that Rules of Banks were to be made subject to confirmation by Justices at Quarter Sessions (as was the case originally with Friendly Societies).

1828. Act provided that Rules of Banks must be submitted to a barrister appointed by the National Debt Commissioners. (Since the Savings Bank Barrister Act, 1876, the Chief Registrar of Friendly Societies has had this duty to perform.)

1863. Savings Bank Act, repealing previous legislation, and consolidating the law with regard to Savings Banks. This is the Act under which banks are still certified.

(NOTE.—While Friendly Societies, Co-operative Societies, Trade Unions, etc., are *registered* under their respective Acts, Savings Banks are *certified* under the Savings Bank Act, 1863.)

This Act required Banks to provide in their Rules for—

(a) the attendance of at least two trustees, managers, or specially appointed paid officers, on all occasions of public business;

(b) the comparison of the depositor's books with the ledger on every repayment, and also on their first transaction with the Bank after the 20th November;

(c) the half-yearly audit of the books of the Bank;

(d) a book containing an extracted list of the depositors' balances made up each year to the 20th November, to be kept open at any time during hours of public business for inspection of depositors;

(e) at least half-yearly meetings of the trustees, and the keeping of minutes of their proceedings;

(f) trustees and managers to transmit weekly returns showing the weekly amount of transactions, to the National Debt Commissioners.

1861. *Post Office Savings Bank Act*. Designed to grant additional facilities for depositing small savings at interest, with "the *direct security of the State*" for the repayment of the deposits. In the Post Office Savings Bank deposits are received in the first instance by a servant of the State; in Trustee Savings Banks they are paid to a servant of the Trustees, and the State cannot accept responsibility until the money is lodged with the National Debt Commissioners. Postmaster-General was given power to authorize such of his officers as he should think fit to receive deposits, for remittance to the Principal Office, and to repay them under such conditions as, with the consent of the Treasury, he may prescribe, paying the money so received to the National Debt Commissioners.

1863. Amending Act passed, providing, *inter alia*, for the closing, under certain conditions, of Trustee Savings Banks, and the transfer of their funds to the Post Office Bank. It also provided that no trustee or manager of any Savings Bank in the United Kingdom shall be personally liable except—

(a) for moneys received by him on account of; or for the use of the Bank, and not disposed of as directed by the Rules;

(b) for neglect or omission to comply with the regulations prescribed by the Act as to the maintenance of checks, audit, and examination of accounts, holding of meetings, and keeping of minutes;

(c) for neglect or omission in taking security from officers as required by the Act.

1880. Savings Bank Act was amended by the National Debt (Supplemental) Act, 1888.

1887. Under an Act passed in this year, the Treasury, on the representation of either the depositors or the National Debt Commissioners, may appoint a Commissioner to hold a local inquiry with regard to any Trustee Savings Bank, and to report thereon.

1891. Savings Bank Act of this year provided for the appointment of an *Inspection Committee of Trustee Savings Banks*, to ascertain by means of Inspectors whether the law is being complied with by Banks, and their expenditure kept within due limits. In default in either of these respects, the Bank in question is to be reported by the Inspection Committee to the National Debt Commissioners, who may either—

(a) close the account of the trustees; or

(b) report to the Treasury, in order that an inspection may be made as provided in the 1887 Act.

Limits of Deposit. In 1916 the former limitation of deposits (to £50 in one year, and not exceeding £200 in all) was suspended during the war and for six months afterwards. Investments in Government Stock from 1s. upwards, but not to exceed £100 in any one year, nor £500 in total. Sums from 1s. upwards are received as deposits, but the Post Office makes provision for the saving of lesser sums by means of stamps (see also "Penny Banks" below). "Home Safes" are supplied by the Post Office for the purpose of accumulating money for deposit. A charge of 3s. is made, of which 2s. is refunded on the return of the safe in good order and condition. Leaflets describing the Post Office Savings Bank, Insurance and Annuities, etc., may be obtained from Post Offices transacting such business.

PENNY SAVINGS BANKS. The system of penny savings banks has been in operation for many years in connection with church

and charitable institutions. The late Actuary of the Liverpool Trustee Savings Bank devised a system of penny banks for the elementary schools of that city, and before his retirement the number of transactions exceeded 1,000,000 per annum. Penny savings banks may be established in conjunction with Trustee Savings Banks or may operate independently of them. In the latter case it is usual for the deposits to be paid into a separate account with the Post Office Savings Bank or other bank in the name of the Trustees, in whose name also the securities are lodged. This method is very valuable in areas where there is no Trustee Savings Bank, or where the promoters desire to maintain a certain degree of independence. In all cases it is essential that the transactions with the bank should pass through the hands of at least two officials.

NATIONAL SAVINGS CERTIFICATES. The Report of the Committee on War Loans for the small investor, dated 26th January, 1916, and presented to both Houses of Parliament by command of His Majesty, strongly urged on all classes of the community the paramount necessity of saving for the successful and efficient prosecution of the war. To give effect to their views, the Committee on War Loans recommended the appointment of—

1. A Committee to undertake propaganda work and to promote the formation of agencies and investment societies.
2. A Central Committee to advise upon and approve the financial details of schemes for Investment Societies, and to supervise their working.

Two National Committees were constituted, subsequently united and re-constituted as the National War Savings Committee with headquarters at Salisbury Square, Fleet Street, London, E.C.

Local Central Committees are appointed for large or populous areas.

The great part of the work of these Local Central Committees is the establishment of—

War Savings Associations, now *National Savings Associations*. The promotion of National Savings Associations can be brought about through the influence and introduction of the members of the Local Central Committee. If no Committee exists, Associations may be affiliated direct by the National Committee. When an Association is to be formed, a small Committee must be appointed, and it is essential that separate persons should be nominated to the offices of Secretary and Treasurer. Associations can be formed in connection with places of worship, Sunday Schools, social institutions, clubs, workshops, factories, offices, schools, trade unions, friendly societies, co-operative societies, and among independent groups of persons, as, for instance, the

inhabitants of a village, a town, or the ward of any town or city.

The object of National Savings Associations is to promote the purchase of—

National Savings Certificates. These cost 15s. 6d. each and yield £1 at the end of five years, or 26s. at the end of ten years. They can be cashed for 15s. 6d. at any time within one year after the date of purchase. At the end of twelve months they can be cashed for 15s. 9d. Thereafter the cash value increases by 1d. per month, the ultimate rate of interest per cent. per annum at the end of five years being £5 4s. 7d. No income tax is charged on the interest earned, nor does the interest have to be included for any purpose whatever in income tax returns. So far as these Certificates are concerned, income tax is non-existent. (Finance Act, 1916, Section 42.)

Benefits of Associations. The main purpose of National Savings Associations is to enable their members to purchase these Certificates by small instalments.

The minimum payment is usually fixed at 6d., and members should be encouraged to subscribe regularly, but any number of sixpences will be accepted at any time. If 31 people individually save 6d. a week for 31 weeks, they will each have a Certificate at the end of 31 weeks and not before. If, however, they join an Association to which they each pay 6d. a week, the Association will be able to buy one Certificate each week. The first of these Certificates will be dated 30 weeks earlier than a Certificate bought by any person acting alone and saving 6d. a week. This earlier dating of Certificates is a financial advantage to members of National Savings Associations.

Although the war is over, the necessary expenditure will continue for many years, and the saving by persons through National Savings Associations is to be commended as a form of patriotism.

The first Annual Meeting of the *National Savings Assembly* was held in Buxton in June, 1919. It consisted of some 75 delegates elected by the local War Savings Committees. It has been formally set up to provide a representative basis for the permanent Peace Savings foundation, of which the local associations are the working units.

SECTION VIII

CONCLUSION

XXIV

CAUSES OF POVERTY

CAUSES.	REMEDIES.
1. <i>Low Wages</i> — Earnings habitually below what are required for healthy subsistence	(a) Trade Unions (b) Trade Boards Acts, 1909 and 1918 (c) Technical Education (d) Reform of Taxation (e) More equitable distribution of wealth (f) Increase of production
2. <i>Largeness of Family</i> — Resulting in Improvident Marriages: due to (a) Overcrowding at home (b) Lack of intellectual interests	(a) Higher moral code; with a greater recognition of parental responsibility
3. <i>Death of or Illness of Wage Earner</i>	(a) National Insurance Acts, 1911 to 1919 (b) Friendly Societies (c) Post Office Savings Banks and payment of premiums
4. <i>Irregularity of Work</i> —	(a) Labour Exchanges Act, 1909 (b) Education (Choice of Employment) Act, 1910 (c) Education Act, 1918, and Day Continuation Schools
5. <i>Out of Work</i> — (a) Economic: (1) Trade cycles (2) Under-production (3) Unequal distribution of wealth (b) Personal (e.g., unskilled) (c) Political (e.g., wars)	(a) Unemployed Workmen Act, 1905 (b) Development and Road Improvement Funds Acts, 1909 and 1910 (c) Labour Exchanges Act, 1909 (d) Regulation of capital expenditure by local authorities (e) Land Reform and Afforestation
6. <i>Drink, Gambling, Sport, and Amusements</i> — (a) Custom and weak will (b) State encouragement	(a) Licensing Consolidation Act, 1910 (b) Poll Tax on amusements (c) Social Institutes
7. <i>Environment</i> — (a) Deficiency of Housing (b) Lack of Planning	(a) Housing and Town Planning Acts, 1909 and 1919
“The foundations of national glory are set in the homes of the people; they will only remain unshaken while the family life of our people is strong, simple, and pure.”—George V.	

CAUSES.	REMEDIES.
8. <i>Indiscriminate Charity</i> —	
(a) Churches	(a) Elberfeld System and Guilds of Help
(b) Endowed Charities	(b) Liverpool Council of Voluntary Aid
(c) Private alms	
9. <i>Unskilled Labour</i> —	
(a) Boy Labour: Post Office; Errand Boys, etc.	(a) Education (Choice of Employment) Act, 1910
(b) Casual Labour: Military and Naval Discharges	(b) Compulsory continuation schools (Education Act, 1918)
(c) Domestic ignorance and incapacity	(c) More practical and extended teaching of Domestic Science
10. <i>Immobility of Labour</i> —	
(a) Absence of labour flow	(a) Labour Exchange Act, 1909
(b) Unequal distribution of labour	(b) Liverpool Dock Scheme
11. <i>Age</i> —	
(a) Impaired efficiency and Trade Union conditions	(a) Greater elasticity of Trade Union Rules
(b) Workmen's Compensation Acts	(b) National Insurance Acts, 1911 to 1919
(c) Failure of pensions at long intervals	(c) Government facilities through the Post Office
(d) Payment of pensions at long intervals	(d) Administration of Workmen's Compensation Acts through the Post Office
	(e) Old Age Pensions Acts

POOR LAW

1. THE NECESSITY FOR THE POOR LAW arose as a result of the abolition of the monasteries by Henry VIII, a series of bad harvests, and a debased coinage. The early Poor Law aimed just as much at suppressing vagabondage as at relieving distress. In making provision for the latter, it endeavoured to remove any excuse for the former.

2. ADMINISTRATION is by Boards of Guardians elected for a Poor Law Union. The administration is uniform, and the statutes are the least permissive of any Local Government law. It is under the control of the Ministry of Health.

3. POOR LAW UNION is any parish or union of parishes for which there is a separate Board of Guardians.

4. GUARDIANS are elected under the Poor Law Acts Amendment Act, 1834, and the Acts amending same, for three years by the local government electors from among their number, or from persons resident for at least twelve months within the Union.

5. DUTIES, which are usually administered by Committees, include those under—

(1) Poor Relief Acts.

(2) Union Assessment Committee Acts.

(3) Registration of Births, Deaths, and Marriages Acts.

(4) Vaccination Acts.

(5) Children Act, 1908 (Part I).

6. PRINCIPLES OF POOR RELIEF under the Poor Relief Act, 1601, and the Poor Law Amendment Act, 1834—

(1) Relief, by the State for its own protection and as a remedy against the evils of destitution.

(2) Repression, by making the relief repulsive to the moral sense, and severe in the treatment of the idle, immoral, and vicious.

(3) Remedy, in the provision of means to rear, educate, and train children who are without proper protection and care.

7. RELIEF IS PROVIDED by indoor, outdoor, or medical relief.

(1) Indoor or Institutional Relief is maintenance supplied in accordance with the Poor Law Institutions Order, 1913, in an institution such as

(a) General Workhouses.

(b) Workhouse Infirmarys.

(c) District Sick Asylums.

(d) Homes for aged poor.

(e) Casual Wards.

(f) District or separate Schools.

(g) Scattered Homes.

(h) Cottage Homes.

(i) Boarding out.

(j) Special or Joint Institutions.

(2) Outdoor Relief or Domiciliary Alimant is maintenance wholly or in part by means of an allowance in accordance with the Relief Regulation Order, 1911.

(3) Medical Relief is all medical and surgical attendance, and all matters and things supplied by or on the recommendation of the medical officer.

PROPOSALS FOR REFORM OF THE POOR LAWS

1. ROYAL COMMISSION appointed 4th December, 1905, to inquire into the working of the laws relating to the relief of poor persons in the United Kingdom; into the various means which have been adopted outside of the Poor Laws for meeting distress arising from want of employment, particularly during periods of severe industrial depression.

Two Reports were issued under date 4th February, 1909.

2. UNANIMOUS RECOMMENDATIONS—

(1) Abolition of Boards of Guardians.

(2) Enlargement of the area of administration from the Union to the County and County Borough.

(3) Classified Institutions instead of the General Mixed Workhouse.

- (4) Charitable Aid to be organized.
- (5) Improved administration of Out Relief.
- (6) Old Age Pensions.
- (7) Children to be removed from Workhouses.
- (8) Labour Exchanges to be established.
- (9) State Insurance against Unemployment.
- (10) Central Control to be extended and number of higher officials to be increased.
- (11) Discontinuance of Unemployed Workmen Act, 1905.

3. MAJORITY RECOMMENDATIONS (not included in above)—

(1) Public Assistance Authorities instead of Boards of Guardians, viz., Committees of County or County Borough for administration purposes.

(2) Public Assistance Committees to be partly nominated by Urban and Rural District Councils and Voluntary Aid Councils to deal with applicants.

(3) Voluntary Aid Councils and Voluntary Aid Committees to act as intermediaries between public assistance and charity.

(4) County and Local Medical Assistance Committees to provide medical relief on a provident basis.

(5) Institutional Treatment to be curative and restorative, with periodical revision of cases.

(6) Outdoor Relief to be adequate to needs, subject to careful supervision and case paper system to be adopted.

(7) Public Assistance Service to be established with qualifying examinations for higher positions.

4. MINORITY RECOMMENDATIONS (not included in above)—

(1) Non-able-bodied to be dealt with by existing committees of the County and County Borough Councils, viz.—

(a) Education Committee: Children of school age.

(b) Health Committee: Sick and permanently incapacitated; infants under school age; aged needing institutional care.

(c) Asylums Committee: Mentally defective of all grades and ages.

(d) Pensions Committee: Aged to whom pensions are awarded.

These Committees to be supervised by the appropriate Government Departments.

(2) Able-bodied to be dealt with by an authority charged only with this specific duty.

(3) Unemployment to be under the control of a Minister for Labour charged with the duties previously referred to, together with the training of unemployed and control of Parliamentary funds for national schemes, including afforestation. (Ministry of Labour was created in 1917. See Chapter II.)

(4) Registrars of Public Assistance to be appointed for local areas to prevent overlapping.

5. THE LOCAL GOVERNMENT COMMITTEE appointed by the Ministry of Reconstruction, which reported in January, 1918, recommended the abolition of Boards of Guardians and Poor Law Unions and the transference of the functions of these bodies to the County Councils, County Borough Councils, and the Councils of any Borough or Urban District with a population of 50,000, such functions to be discharged by their existing statutory Committees or other statutory Committees (*e.g.*, a Prevention of Unemployment and Training Committee and a Home Assistance Committee) to be created.

THE STANDARD OF LIVING.

The Report of the Committee appointed to inquire into and report upon the actual increase since June, 1914, in the cost of living reported in October, 1918. Among other points, the Committee reported—

(1) That in June, 1918, the working classes, as a whole, were in a position to purchase food of substantially the same nutritive value as in June, 1914. In fact unskilled workmen were slightly better fed at the later date in spite of the rise in the cost of food.

(2) That the clothing cupboard, from which exceptionally necessitous children used to receive garments before the war, are no longer resorted to.

(3) That there is a remarkable decline in pauperism during the war, and is still going on, which by July, 1918, was two-thirds what it was in July, 1914.

OLD AGE PENSIONS ACTS, 1908 and 1911

1. CENTRAL PENSION AUTHORITY is the Ministry of Health

2. LOCAL PENSION COMMITTEE—

(1) Appointed by the Council of every—

(a) Borough with a population of 20,000.

(b) Urban District with a population of 20,000.

(c) County, excluding the area of such borough or urban district.

(2) Not necessarily members of the council, and women may be members. Number not less than seven or not more than number of members of the council, as decided by them. Quorum not less than three.

(3) Term of office three years, or such less time as the council decide.

(4) Clerk of the Committee to be a fit person appointed by the Committee, to hold office during their pleasure.

3. PENSION OFFICERS—

(1) Appointed by the Treasury.

(2) Supervisors or Officers of Excise, in the service of the Board of Inland Revenue.

4. QUALIFICATION FOR PENSION—

(1) Must have attained the age of seventy.

(2) Must be a British subject (or, if the widow, or divorced or deserted wife of an alien, have been a British subject up to the time of her marriage), and have resided within the United Kingdom for previous twenty years.

“Residence” means actual presence for at least twelve years in the aggregate out of the twenty preceding years.

For the purpose of computing the twelve years’ residence in the United Kingdom the following are included—

(a) Employment in service of the Crown, or as the wife or servant of a person in any service so remunerated.

(b) Any periods spent in the Channel Islands or the Isle of Man by a person resident in the United Kingdom.

(c) Periods spent abroad, while maintaining or assisting dependents in the United Kingdom.

(d) Service on board a vessel registered in the United Kingdom.

(e) Periods of temporary absence not exceeding three months in duration at any one time shall be counted as periods of residence in the United Kingdom if throughout absence home was in the United Kingdom.

(3) Yearly means must not exceed £31 10s.

5. DISQUALIFICATIONS—

(1) While in receipt of poor relief (other than medical relief and certain other kinds of relief excepted under the Acts).

(2) Habitual failure to maintain himself or his legal dependents.

(3) Detention under the Lunacy Acts.

(4) Imprisonment for a term exceeding six weeks without option of a fine within the preceding ten years.

(5) Detention under an Inebriates Act Order within ten years.

6. PROCEDURE—

(1) Form to be obtained from any local Post Office, filled up by claimant and sent to local Pension Officer.

(2) Pension Officer forwards to Local Pension Committee with report.

(3) Clerk to Committee to arrange meeting within seven days, and claim allowed forthwith.

(4) In case of objection, claim adjourned for meeting not more than a month after date of original meeting, and notice sent to claimant.

(5) At adjourned meeting Committee give decision, and send notice to Pension Officer and claimant.

(6) Notice of appeal, within seven days, to the Ministry of Health whose decision is final.

7. AMOUNT OF PENSION.

Per Week.

Where the yearly means of the Pensioner—

	s.	d.
(a) Do not exceed £21	5	0
(b) Exceed £21 but do not exceed £23 12s. 6d.	4	0
(c) Exceed £23 12s. 6d. but do not exceed £26 5s.	3	0
(d) Exceed £26 5s. but do not exceed £28 17s. 6d.	2	0
(e) Exceed £28 17s. 6d. but do not exceed £31 10s.	1	0
(f) Exceed £31 10s.	nil	

Pensions are payable through the Post Office.

8 ADDITIONAL ALLOWANCE.

As from the 10th August, 1917, and during the continuance of the war an additional 2s. 6d. per week became payable to all old age pensioners who are entitled under the Acts to pensions whether at the 5s. or lower rates. The concession applies to pensioners whose means do not exceed the following limits—

(a) In the case of a pensioner who is one of a married couple living together in the same house, £63 a year being the total of means of husband and wife from all sources over and above the old-age pension.

(b) In other cases, £31 10s. a year over and above old-age pension.

9. The sums required for the payment of old age pensions under these Acts are paid out of moneys provided by Parliament.

PUBLIC OPINION

PUBLIC OPINION, "when used in reference to legislation, is merely a short way of describing the belief or conviction prevalent in a given society that particular laws are beneficial, and therefore ought to be maintained, or that they are harmful, and therefore ought to be modified or repealed."—*Dicey*.

Influence of Public Opinion—

1. On Parliamentary estimates (*e.g.*—Wars are usually followed by a tendency to economy).

2. On Legislation.

3. On the length of time a party shall continue in power.

4. On Labour Disputes. A dispute will rarely prove successful unless the contesting parties can secure the support and sympathy of the public.

Formation of Public Opinion. The influence of public opinion is now much greater than formerly in consequence of increased facilities for the rapid spread of knowledge. Cheap newspapers, the Post Office, telegraphs, telephones, and aeroplanes have

made it possible for public opinion to be based on experience which is practically world-wide.

Public opinion may in events of national importance become sufficiently pronounced to compel the Government to adopt a certain course.

Public Opinion is influenced by—

1. Catchwords and phrases; the tendency for people to "follow the crowd."

2. The political platform; opinion is influenced by well-organized propaganda.

3. The Press, which in turn reflects public opinion. The effect of newspaper combines in recent years has tended to stifle the free-play of opinion, and to "manufacture" the views of the people.

Public Opinion is expressed by—

1. Public Meetings, Demonstrations, etc.

2. Petitions to House of Commons.

3. Letters and telegrams to Members of Parliament.

4. Letters to the Editor, etc.

DUTIES OF CITIZENSHIP

CITIZENSHIP is the state of being invested with the rights and privileges of citizens, together with the incumbent duties which necessarily accompany the association of man with man. It has been shown that these rights have been won for us by our ancestors. They are the honoured and privileged possession of the community in which we dwell. It is the citizen's *duty*, therefore, to understand these *rights* in order that he may pass them on untarnished to the generations which follow.

The *duties* are public and private, national and local.

National Duties have been described in the *Outlines of Central Government*.

Local Duties have been dealt with in the *Outlines of Local Government*.

Public and Private Duties not included in the above have received consideration in the previous pages.

These all resolve themselves into a recognition of the conditions of an effectual citizenship, which may be said to include the maintenance of physical well-being, the earning of an honest livelihood, the creation of purity of family life, the welfare of the individual by religious institutions, the voluntary association of man with social and industrial organizations, and the support of political agencies for the free expression of public activity, for—

They must be free or die, who speak the tongue
That Shakespeare spake: the faith and morals hold
Which Milton held.

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